

UK Statement to the WTO Council for Trade in Goods – Item 9

UNITED KINGDOM – DRAFT GOODS SCHEDULE AND PROPOSED UK TRQ COMMITMENTS: SYSTEMIC CONCERNS – REQUEST FROM AUSTRALIA, BRAZIL, CANADA, CHINA, NEW ZEALAND, THE RUSSIAN FEDERATION, SWITZERLAND, THE UNITED STATES, AND URUGUAY

Thank you, Chair.

I want to thank Members for their statements under this item.

As Members will be aware, on 1 February 2020 the United Kingdom circulated document WT/GC/206, which sets out the main implications arising from the United Kingdom's departure from the European Union in the WTO.

The United Kingdom has undertaken its transition in the WTO with the aim of maintaining the existing balance of rights and obligations between the United Kingdom and its trading partners. The United Kingdom has set out its Goods Schedule, circulated in document G/MA/TAR/RS/570, on that basis.

The United Kingdom has engaged extensively with Members on that Schedule, and we remain open to discussions to ensure that conditions remain no less favourable to trade after the end of the Transition Period agreed between the European Union and the United Kingdom, which will end on 31 December 2020.

Recognising that, the United Kingdom is currently undergoing a process under Article XXVIII to seek agreement with relevant WTO Members on how to extract the United Kingdom's TRQ commitments from those of the EU28.

The United Kingdom's last round of Article XXVIII negotiations took place in February 2020 in Geneva, and we hope to have the next round of negotiations in July.

On AMS, we note some Members asked about whether the European Union's AMS will reduce proportionally in line with the commitment set out in the UK's Schedule XIX. The United Kingdom cannot comment on the European Union's ongoing processes. However, we would recall that it was clear in the joint UK-EU letter of 11 October 2017 that the final bound commitment level for domestic agricultural support would be apportioned between the EU and the UK. This was also restated in the explanatory note to the United Kingdom's Goods Schedule in document G/MA/TAR/RS/570, and is a clear commitment. We would also remind members that this explanatory note contains details on how the AMS apportionment was calculated.

Turning to other points raised: As some Members will be aware, the United Kingdom announced the 'UK Global Tariff' on 19 May 2020. This is the applied Most Favoured Nation tariff regime that the United Kingdom will apply from 1 January 2021, following the end of the Transition Period, and it will be expressed in the United Kingdom's national currency.

As a consequence of this change, and to ensure stability and transparency between the UK's bound and applied Schedules, the United Kingdom has circulated document G/MA/TAR/RS/570/Add.1, rectifying its bound goods Schedule to redenominate all currency components in Part I and Part IV – Section I of the Schedule from Euros to pound Sterling. This brings the United Kingdom into line with most other WTO Members, who denominate their schedules in their own currency. In order to provide Members with complete transparency on the steps we are taking to effect this currency conversion, the UK introduced this matter as a standalone technical rectification of Schedule XIX with no additional changes being made at this time. This currency rectification process has been submitted without prejudice to already ongoing discussions on the broader certification of Schedule XIX.

The United Kingdom looks forward to continuing engagement with members on these important issues

Thank you.