

Which EU laws to repeal?

Apparently people want me to go over this again. Here's a few of the proposals I have put to government

- 1 Legislate to remove the NI Protocol by resuming the Bill in The Lords which passed the Commons with a majority of 71. That will remove EU laws from NI.
2. Abolish VAT on domestic fuel
- 3 Abolish permanently VAT on green products
- 4 Repeal The Ports Directive
5. Replace product specifications with a strong general duty on product safety and a merchandise quality rule
6. Suspend the emissions trading and carbon tax scheme which makes the UK very uncompetitive leading to more imports of energy intensive goods with no CO₂ savings
7. Remove the ban on making petrol and diesel cars after 2030
8. Change rules and taxes governing UK auction houses to match New York, removing EU imposed charges and taxes which lost us market share
9. Amend General Data Protection Regulation to cut costs and bureaucracy to small charities and businesses whilst keeping suitable protections for individuals
10. Change fishing regulations to give priority to UK vessels and landings in UK ports

Some of the ones from the Duncan Smith report:

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 - 1.5. Use digital sandboxes to test innovations more quickly and ensure regulation is based on evidence of impact.
 - 1.7. Give regulators statutory objectives to promote competition and innovation in the markets they regulate.
 - 1.8. Delegate greater flexibility to regulators to put the principles of agile regulation into practice, allowing more to be done through decisions, guidance and rules rather than legislation.
 - 1.14. Set a UK standards strategy to promote the use of British standards internationally as a way to boost UK influence and promote trade and exports.
- SECTOR PROPOSALS
- UK START-UP AND SCALE-UP FINANCE
3. Amend the Seed Enterprise Investment Scheme (SEIS) and the Enterprise

Investment Scheme (EIS) to maximise Private Equity and Venture Capital investment in growth industries.

3.1. Amend the age eligibility requirements for companies to access investment

through EIS and SEIS to ensure businesses outside London and the south east benefit equally.

3.2. Increase the maximum level of SEIS investment.

3.3. Commit to the continuation of EIS beyond 2025.

DATA

7. Replace the UK General Data Protection Regulation 2018 with a new, more proportionate, UK Framework of Citizen Data Rights to give people greater control of their data while allowing it to flow more freely and drive growth across healthcare, public services and the digital economy.

7.1. Reform GDPR to give people meaningful control of their data.

7.2. Reform GDPR for artificial intelligence, including by removing Article 22 of

GDPR and focussing instead on the legitimacy of automated decision-making.

11.6. Streamline clinical trial set up by HRA adopting automated AI or digital

processing of ethical and trials approvals.

11.7. The MHRA and HRA should accelerate the adoption of novel clinical trial processes through better digitising of trials applications and data and use of

novel models like UK Trials Acceleration Programme (TAP) and IMPACT with the capacity to deliver registration level trials.

11.8. Replace the Caldicott data guardians with a HRA Single Data Controller "One-stop shop" for Health Research Information Governance with harmonised committees to reduce bureaucracy and standardise processes.

11.9. Establish a centralised health dataspine, where all data is stored for ease of

access by approved users across the health network, with standardised format and approval routes for data collection and curation.

11.11. Accelerate Access to innovation by establishing clear digital framework for

Conditional Approvals and Adaptive Licensing of new therapies like gene therapies based on data including from the new Electronic Patient Recorded Outcomes Measure (EPROMs) dataspine.

11.12. Expand the MHRA remit and Innovation Team to include promotion of UK leadership in innovative trial design, new accelerated access regulatory pathways, standardising format and approval routes for data collecting, curating and collation, and use of novel clinical and digital biomarkers and AI.

11.14. MHRA to work with stakeholders to establish a UK Regulatory Innovation Hub

on the same model as the US Centers of Excellence in Regulatory Science¹⁴.

MHRA to work with stakeholders to establish a UK Regulatory Innovation Hub and Innovation (CERSIs).

11.15. Regulation of medical cannabinoids and medicinal CBD should move from the Home Office to DHSC / MHRA to create a regulatory pathway for

assessment and approval based on patient benefit.

AGRI-ENVIRONMENT

13. Replace EU rules with an integrated agri-environment framework which better

supports the development of more environmentally sustainable agriculture, with more proportionate and evidence-based, outcomes-focussed regulation...

13.6. Deliver a common-sense solution to transitioning chemical registrations from

EU to the UK REACH.

13.10. Remove burdensome EU regulation on the animal feed industry, whilst maintaining rigorous safety standards.

AGRICULTURAL GENOMICS

14. The UK Government should actively support research into and commercial adoption by UK farmers and growers of gene edited crops, particularly those which help the transition away from agrochemicals to naturally occurring biological resilience.

14.1. Interpret current GM rules on a case-by-case basis, to permit specific crops

with proven benefits and which are consistent with the UK's rigorous standards on food safety and environmental protection.

SPACE AND SATELLITES

15. Through reform of the Space Industry Act, the Government should address the

indemnity and liability issues currently holding back investor confidence in the

UK as a satellite launch and operations hub.

15.1. Amend the Space Industry Act 2018 to cap liability and indemnity requirements for licence applicants to launch and operate satellites from the UK.

(E0) data regulatory policy framework.

NUTRACEUTICALS

OTHER TARGETED REFORMS

17.1. Amend the Weights and Measures Act 1985 to allow traders to use imperial

measurements without the equivalent metric measurement.

17.2. Develop an optional e-labelling system for devices with screens or that can be

connected to a screen, to display compliance information.

17.3. Repeal the Port Services Regulation 2019 (SI 2019 No. 575) to remove unnecessary, EU-derived regulatory burdens on UK ports.

17.4. Liberalise parallel import laws to reduce prices and increase choice for

consumers.

17.5. Urgently review guidance on hand sanitisers so that tested, effective non-alcohol based sanitisers can be used

The Minster and the blob

Kemi Badenoch in her Telegraph article implies she had to back down over removing a lot of needless or damaging EU law because the civil service were unable or unwilling to do the work to sort out the good from the bad amongst the 4000 laws they had identified and transferred to the UK from the EU. Her critics will say it is for Ministers to decide. She could have insisted that this was her priority and could have ensured enough resource to do the job. Her friends will say she was victim of a civil service that intends to defend every EU law, wishing to keep the UK aligned with Europe as closely as possible, and working with the EU and Opposition parties that never wanted the UK to leave. She certainly did not herself identify some of the more obvious ones and make the case for their repeal in public as you would have hoped she might do.

I do not buy the line that the civil service could not read and understand all the EU law in the seven years that have passed since the vote and offer sensible advice over the merits and demerits of the inherited laws. There is plenty of evidence that the civil service is alive to the EU legislative inheritance, and many cases where they have been keen to save it in case Ministers wanted to amend or remove it. The latest Energy Bill has a big chunk of draft UK legislation confirming EU laws and schemes and putting it into UK law. The civil service note providers were kind enough to tell us they are doing that in case the EU Retained Law Bill otherwise dropped these laws! The civil service was particularly keen to keep us aligned with EU data rules, so Ministers were persuaded to put all that into directly acting UK laws as well as transferring it as part of inherited EU law. There are other cases from finance to environment.

Conspiracy theorists will say the UK gave in to all the EU demands over the Northern Ireland Protocol. These always included stopping the NI Protocol Bill in the UK which would have resolved matters unilaterally and might have also included a secret promise to dump the EU retained Law Bill. Others will think this is just another example of weak Ministers giving in to officials who did not want to lose any EU law and who therefore decided to make it more difficult for any Minister wishing to do so.

We are offered a list claiming to be 600 measures which will go. Most of the items on the list have already time expired or relate to EU international agreements which clearly no longer affect the UK as we are not members covered by them. There are items relating to 1990s agricultural settlements long gone, to Olympics special measures for the London games, and a range of temporary controls for things like BSE which have passed. It is tidy to clear them up but makes no difference to the costs of doing business or the freedoms in our daily lives.

For this policy to work there needs to clear areas where unhelpful rules and

charges disappear, so people and businesses can do more more easily. So Kemi should include getting rid of the carbon taxes and emission trading, the complex product specifications, many of the VAT impositions, simplify the data regime, abolish the Ports Directive, and many others often mentioned on this site. She should revisit Iain Duncan Smith's Report on repealing EU laws which sits unimplemented.

The Bank of England forecasts for inflation

There is something badly wrong with the Bank of England's forecasts for inflation. The absence of money and credit from their thinking seems to guarantee they get it wrong. Because they get the forecasts wrong they get the policy wrong.

Their aim is to show inflation will be around the target of 2% in two years time. Quite reasonably they allow themselves some shorter term flexibility around this longer term target. Their problem includes an overwhelming tendency to lurch based on what has just happened to inflation. I call it rear view mirror driving, when what they need is a better view of the road ahead to avoid a crash.

Let us take the last two years. In May 2021 the Bank concluded that inflation in two years time would reach 2%. Because immediate past inflation was below target they decided to carry on with an interest rate of 0.1% and with printing more money to buy up bonds. The more bonds they bought the higher the prices went so the lower the longer term interest rates went. It was an invitation to a credit party where the credit was so cheap. Some of us at the time warned against more money printing and further lowering of longer term rates, pointing to the already visible recovery in the economy and the increases in money and credit. "I see no inflation coming" meant they were looking the wrong way.

By May 2022 the inflation was already well set. It hit 5.5% before the invasion of Ukraine, and then went higher as the energy and food price consequences of that came in. The Bank set an interest rate of just 1% and said rates might in future need to get up to 2.5%. On that basis they forecast inflation would be back down to 2% by 2024 and below target at 1.3% in 2025. Some hope.

This May they decided to hike interest rates by an additional 25bp or 0.25% to 4.5% and continue with a large bond selling programme designed to cut money and credit further and drive rates higher. On that basis they forecast 2% inflation by 2025 which may be nearer the mark. Unfortunately it comes with the price of overdoing the tightening meaning a bigger real income squeeze and a big slowdown in growth. They are now mesmerised by the

inflation they have created and unable to see that the dramatic money tightening they have undertaken will come through. So they now want to do too much too late. The rear view mirror tells them to slam on the brakes when the vehicle is scarcely moving.

The Treasury and Bank advice used to bring down governments

I am told grown ups follow Treasury orthodoxy and admire the Bank of England with its independence. The governments that have followed these luminaries have usually put the economy through a boom/bust cycle and have invariably lost if they own the bust.

Edward Heath accepted advice to introduce competition and credit control in the early 1970s when the dollar went off the gold standard. A big inflation was created, to be followed by a sharp collapse just in time for the 1974 elections which Heath lost. There was a secondary banking crisis and property slump. The Labour government which followed chose an inflation prone high borrowing high tax strategy of its own which ended in a further bust when it collided with financial reality.

John Major adopted Treasury and Bank advice by joining the European Exchange Rate Mechanism. Some of us warned this would be damaging and destabilising but the grown ups knew best. They brought on an inflation by printing too much money to keep the pound down, then a savage recession by slashing money to try to rescue a tumbling sterling. The Conservatives went down to a huge defeat even though Labour, the CBI and TUC had all backed the failed policy.

Gordon Brown and Tony Blair in the period 2005-9 accepted Treasury and Bank advice that they could allow a major expansion of banking credit and debt because there had been a new model of global banks that would magically smooth away the risks of excessive leverage. Indeed Gordon Brown didn't just accept this woeful official advice but was part of the world foolishness that generated the idea. The Parliamentary opposition warned against so much state debt and private borrowing. The official advice shifted to demanding a deep recession to wipe out the inflation and some of the debts. Gordon Brown as PM agreed and was thrown out of office as a result.

Today it is possible to avoid the bust. The official advice has already given us the big inflation. According to government and Opposition the Bank is independent and is responsible for enforcing the 2% inflation target. It has lamentably failed, allowing inflation to hit 11%. It blames external events beyond its control, yet it did not warn us of the big inflation coming and fails to explain how Japanese, Swiss and Chinese inflation stayed down if it was just a matter of high international energy prices.

As constitutionally the government is responsible for the huge balance sheet the Bank of England has created by borrowing to buy up a load of bonds, the government should tell the Bank to stop selling these bonds back into the market at large losses as they are currently doing. taxpayers should not have to take the hit. Money and credit are tight. To avoid the recession action is needed now. The Bank has done too much too late to conquer inflation. Its inflation forecasts yo yo around undermining the credibility of its actions. How can anyone admire a Bank which deliberately bought too many bonds at crazily high prices and then wants to sell them at much lower prices to make the taxpayers pay for the losses?

My Intervention in the Energy Bill (Lords amendments)

John Redwood, Wokingham, Conservative:

I agree with the Secretary of State that we need more energy independence and more domestic energy, so why does the Bill propose a 140% increase in imported energy through interconnectors, which will make us more dependent and very vulnerable?

Grant Shapps, Minister of State for Energy Security and Net Zero:

My right hon. Friend makes an excellent comment, as ever, on interconnectors, but I would point out that with the growing number of interconnectors, particularly electricity interconnectors, last winter, for example, we were able to export 10 TW to France through interconnectors, providing us with income. The answer is that they work in both directions, and in some cases, they provide the reliability of, for example, France's vast nuclear fleet of 56 reactors. When whose reactors were down last winter—because even nuclear power sometimes has to come offline—we have been able to export our power to France, and it has been a net export. Our mission is to secure the clean and inexpensive energy that Britain needs to prosper.