



Department for
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9 September 2020

Dear Stephen,

Introduction of the UK Internal Market Bill

Today, we have introduced the UK Internal Market Bill in Parliament. This Bill is crucial to protect seamless trade and jobs across all four corners of the United Kingdom at the end of the Transition Period. On 1st January 2021, we will see one of the single biggest transfer of power - as hundreds of powers previously held by the EU will flow to the UK Government and to the devolved administrations in Edinburgh, Cardiff, and Belfast.

Our Internal Market, which has existed for hundreds of years, supports jobs and livelihoods across our country. Northern Ireland sells more to the rest of the UK than to all EU member states combined. Scotland sells more to the rest of the UK than to the rest of the world put together. And in some parts of Wales, a quarter of workers commute in from England on a daily basis. Without this legislation, trade from one part of the Union to another could be disrupted through regulatory differences.

Following the publication of our White Paper in July, over 270 businesses, trade bodies, academics, Parliaments and individuals responded to our public consultation on the UK Internal Market proposals.

Overall, the Government's proposals for the UK Internal Market will help boost our economic recovery and protect jobs and investment through:

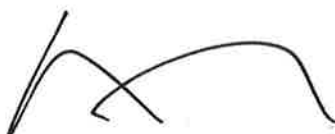
- More powers for Scotland, England, Wales, and Northern Ireland. On 1 January 2021, we will see one of the single biggest transfer of powers to the devolved administrations in history, resulting in new powers transferred to Scotland, Northern Ireland and Wales in at least 70 policy areas.
- More cooperation so we can overcome Covid together. By working together and providing clarity over rules for the UK economy, we can help boost our recovery, increase investment, create new jobs and be stronger as a nation.
- Supporting our economic recovery. At a time when we are trying to recover and rebuild from the greatest economic shock in a generation, now is not the time to create more uncertainty for UK business with new barriers that would hurt our chances of an economic recovery.

An independent body, the Office for the Internal Market (OIM), will report on the smooth running of the internal market, providing independent, technical advice on issues that may impact it. The body will sit within the Competition and Markets Authority (CMA).

Our proposals are intended to ensure that devolution can continue to work for everyone: that all devolved policy areas remain firmly the preserve of the devolved legislatures, while we collectively ensure that continued freedom to regulate does not create new barriers to UK internal trade. We will be requesting Legislative Consent Motions for the Bill from all three devolved legislatures and will continue to work closely with the devolved administrations to understand and respond to any concerns.

In our consultation, the business community was overwhelmingly supportive of protecting the UK Internal Market and I am keen to ensure this Bill is passed, allowing us to give business the certainty they need to do what they do best: creating jobs and opportunities for people right across our United Kingdom.

Yours sincerely,

A handwritten signature in black ink, consisting of a series of fluid, overlapping strokes that form a stylized representation of the name 'Alok Sharma'.

THE RT HON ALOK SHARMA MP
Secretary of State for Business, Energy & Industrial Strategy