



Department for Business & Trade

The Rt Hon Kemi Badenoch MP
Secretary of State for Business & Trade
President of the Board of Trade
Minister for Women & Equalities
Department for Business and Trade
Old Admiralty Building
Admiralty Place
Whitehall
London
SW1A 2DY

Sir William Cash MP
Chair, European Scrutiny Committee
House of Commons
London
SW1A 0AA

T +44 (0) 020 4551 0011
E Badenoch.Correspondence@trade.gov.uk
W www.gov.uk

10 May 2023

Dear Sir William,

RETAINED EU LAW (REVOCATION AND REFORM) BILL AND PROGRAMME: REGULATORY REFORMS

I am writing to inform you that today the Government is tabling amendments to the Retained EU Law (Revocation and Reform) Bill (the 'REUL Bill') at Lords' Report stage alongside publishing an update on our plans for regulatory reform.

Alongside this, my department's paper, '*Smarter Regulation to Grow the Economy*', is the first in a series of updates on how we are reforming sectors across the UK economy. It sets out an ambitious programme of reform to reduce our overall regulatory burden, maximise innovation and growth and support UK businesses and consumers.

REUL Bill and programme update

The ability for an independent UK to forge its own place in the world is one of the main reasons the country voted to leave the European Union. It's why, as Trade Secretary, I prioritised negotiations with the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP); sending out a signal of how post-Brexit Britain can thrive when thinking beyond our immediate neighbourhood by joining a group of the globe's fastest growing economies.

It's also why, now that I have been given responsibility for removing retained EU laws (REUL) from the UK statute book, I want to make sure we do so in a way that maximises our competitive advantage. I want to ensure we remove any unnecessary regulations we inherited from Brussels over the last 50 years, and do so as soon as possible. We now have the unique opportunity to look again at these regulations and decide if they're right for our economy, if we can remove them, or if we can reform and improve them and help spur economic growth.

This is why we introduced the REUL Bill so that we could end the special status of retained EU law. It ensures that, for the first time in a generation, the UK's statute book will not recognise the supremacy of EU law or EU legal principles.

Over the past year Whitehall departments have been working hard to identify EU law to preserve, reform or revoke. However, it has become clear that the default of retained EU law sunsetting at the end of this year unless it is preserved has forced departments to focus on which laws should be preserved, ahead of prioritising meaningful reform. That is why today I am proposing a new approach: one that will ensure ministers and officials are enabled to focus more on reforming REUL, and doing that faster.

Government has therefore tabled an amendment to the REUL Bill to set out, in a Schedule, which EU laws will be revoked on the 31st December 2023. This will provide clarity on which EU laws will fall away at the end of the year and will ensure ministers and officials are freed up to focus on more reform of retained EU law.

REUL not listed on the Schedule will be stripped of its special status at the end of the year. As such, this law will not be subject to the principle of supremacy, and the application of rights, powers, or liabilities retained under section 4 of the European Union (Withdrawal) Act 2018, and general principles of EU law will end. This means EU law will no longer have supremacy over domestic legislation.

But this is not the last word. We retain powers in the Bill to revoke REUL, and reform it and will continue to review this legislation to ensure it best suits the UK.

Package of regulatory reforms

Today's paper, '*Smarter Regulation to Grow the Economy*', sets out our commitment to continue on the path of regulatory review and reform advanced by the Taskforce on Innovation, Growth and Regulatory Reform (TIGRR). It identifies where we will support innovation and growth by reviewing both our stock of regulation and how we approach regulation in the future. It sets out improvements to the Better Regulation Framework to ensure that HMG only uses regulation where necessary, and where regulation is used the impacts on wider government priorities including competition and innovation are understood. It explains how we will work better with regulators via the use of strategic statements and increase their focus on economic growth. It includes a first tranche of reforms to existing regulations, from the Department for Business and Trade. Finally, it outlines how we will consult on employment law reforms that could save businesses £1 billion without changing workers' rights.

Further regulatory reforms will be set out in subsequent thematic announcements.

This Government is fully committed to carrying out a bold and ambitious programme of regulatory reform. The reforms we are announcing today will help us strip away some unnecessary regulations and drive down costs to businesses so they can operate more efficiently.

REUL Dashboard

Today we are also updating the REUL Dashboard, which was first published on 22 June 2022 and updated in January this year. The dashboard sets out for each piece of REUL its name, type and territorial extent. The Dashboard also provides an overview of the percentages of REUL which have already been amended, revoked or replaced. The data used to populate the dashboard will also be available to download via a file uploaded to our gov.uk page.

Please do not hesitate to get in touch with my office, if you have any questions in the meantime.

Best wishes,

A handwritten signature in black ink that reads "Kemi Badenoch". The signature is written in a cursive, flowing style.

THE RT HON KEMI BADENOCH MP

Secretary of State for Business & Trade and President of the Board of Trade
Minister for Women & Equalities