

**From the Office of the Minister**  
Diane Dodds MLA



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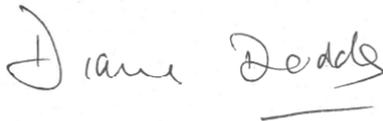
Dear House of Commons International Trade Committee

## **INQUIRY INTO THE UK-JAPAN TRADE AGREEMENT**

1. First of all I would like to thank you for the opportunity to contribute to your inquiry. Scrutiny is an essential part of the Parliamentary Constitutional Reform and Governance process and I welcome your interest in how the Comprehensive Economic Partnership Agreement (CEPA) may impact on the Devolved Administrations.
2. It is certainly positive that an agreement has been reached. Japan is an important trading partner for Northern Ireland and securing agreement prior to the end of the Transition Period will provide for much needed certainty for business in these difficult times.
3. It is my priority that Northern Ireland has access to UK FTAs, including this new agreement, on the same terms as the rest of the UK. This is essential for our competitiveness, both in the UK Internal Market, and globally. I am therefore encouraged that the scope of this agreement extends to Northern Ireland.
4. That said, I am still concerned that as the practical outworkings of the NI Protocol come to light in the coming weeks and months, that issues could emerge if there is divergence in this agreement from the rules applicable to Northern Ireland under the Protocol. Any points of difference could add friction to the goods moving between GB and NI. This divergence could include, but is not limited to, different decisions in GB on both preferential tariffs, and non-tariff measures such as mutual recognition, conformity assessments and marketing and labelling. If Northern Ireland businesses have to operate to a different set of standards under the Protocol compared to those in GB, this could limit their role in supply chains or add further cost to operate to dual standards.
5. It is therefore critical that any such divergence does not lead to Northern Ireland being excepted from provisions under Article 1.9, as this could limit our access to the benefits of this agreement over time. It is also essential that the Northern Ireland Executive has a meaningful role in any consultation under these provisions.

6. In terms of the wider agreement, I am pleased to see a number of new provisions to reduce barriers to trade for the digital economy. Such protections will bring opportunities for our digital services sector. However, like with the other new provisions on mobility and financial services, it will be important that these are implemented as soon as possible to bring the most benefit.
7. Similarly with Geographical Indicators (GIs), I welcome the opportunity for our local brands to be offered protection, however real benefits will only be achieved once these commitments have been delivered upon. This large number of GI's will take time to come into effect, therefore there must be a regional balance in the event of prioritisation of how these are progressed.
8. This Committee will play an important role in the scrutiny, not only of this agreement but those to come in the future. I look forward to your report and our continued engagement.

Yours sincerely,

A handwritten signature in black ink that reads "Diane Dodds". The signature is written in a cursive style with a horizontal line underneath the name.

**DIANE DODDS MLA**  
**Minister for the Economy**