



HOUSE OF LORDS

European Union Committee

33rd Report of Session 2017–19

Scrutiny of international agreements

Treaties considered on 12 March 2019

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The European Union Committee

The European Union Committee is appointed each session “to scrutinise documents deposited in the House by a Minister, and other matters relating to the European Union”.

In practice this means that the Select Committee, along with its Sub-Committees, scrutinises the UK Government’s policies and actions in respect of the EU; considers and seeks to influence the development of policies and draft laws proposed by the EU institutions; and more generally represents the House of Lords in its dealings with the EU institutions and other Member States.

On 14 January 2019 the Procedure Committee decided that the European Union Committee should, until the end of the 2017–19 session of Parliament, be responsible for scrutinising Brexit-related treaties or international agreements.

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External Affairs Sub-Committee
Financial Affairs Sub-Committee
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The Members of the European Union Select Committee are:

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<u>Lord Boswell of Aynho</u> (Chair)	<u>Lord Liddle</u>	<u>Lord Soley</u>
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Committee staff

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SUMMARY

This is the European Union Committee's sixth report on Brexit-related treaties, or international agreements, laid before Parliament in accordance with section 20 of the Constitutional Reform and Governance Act 2010 (the CRAG Act).

This report addresses five agreements, which we considered at our meeting on 12 March. One of the agreements is a trade agreement, two are mutual recognition agreements and two are Government procurement agreements.

We draw special attention to the Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation [CP 55], on the grounds that it is politically important and gives rise to issues of public policy that the House may wish to debate prior to ratification; and that it differs significantly from the precursor agreement to which the UK is party as an EU Member State. We are also disappointed that the Government, in bringing forward the Trade Agreement, has not provided an explanation of its plans for future UK-Swiss services trade, and call on it now to do so.

We report the following four agreements for information:

- 1994 Agreement on Government Procurement [CP 51]
- Revised Agreement on Government Procurement [CP 52]
- Agreement between the United Kingdom of Great Britain and Northern Ireland and the United States of America on the Mutual Recognition of Certificates of Conformity for Marine Equipment [CP 53]
- Agreement on Mutual Recognition Between the United Kingdom of Great Britain and Northern Ireland and the United States of America [CP 54]

Scrutiny of international agreements: treaties considered on 12 March 2019

CHAPTER 1: AGREEMENT DRAWN TO THE SPECIAL ATTENTION OF THE HOUSE

Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation. (CP 55, 2019)¹

Introduction

1. The Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation was laid on 20 February 2019, and the scrutiny period is scheduled to end on 27 March. It was considered by the Internal Market Sub-Committee at its meeting on 7 March.
2. Trade between the EU and Switzerland is governed by over 100 bilateral agreements. Most are underpinned by the EU-Swiss Free Trade Agreement (FTA) of 1972, which progressively liberalised tariffs on industrial products. The UK-Swiss Trade Agreement ('the Trade Agreement') seeks to maintain continuity in the UK-Swiss trade relationship after the UK leaves the EU.
3. The Trade Agreement rolls over, within a single instrument, eight of the existing EU-Swiss Agreements:
 - The 1972 EU-Swiss Free Trade Agreement;²
 - The 1972 Agreement in the form of an exchange of letters on fisheries and agriculture (as subsequently amended by further agreements), which introduced reciprocal concessions on trade in these sectors;
 - The 1999 Agriculture Agreement, which reduced tariffs on selected agricultural products;
 - The 1999 Mutual Recognition Agreement (MRA), allowing for the recognition of product attestations of conformity in 20 industrial sectors;
 - The 1999 Procurement Agreement, which has liberalised the Parties' respective procurement markets beyond the scope of the 1994 multilateral Government Procurement Agreement. In particular, it has extended the requirement for public tendering to local authorities and further opened up procurement by telecommunications operators, railway operators, entities in the field of energy (excluding electricity) and private utility providers;

1 Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation, CP 55, 2019: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/780200/CS_Swiss_4.2019_FTA.pdf [accessed 7 March 2019]

2 Règlement (CEE) n 2840/72 du Conseil, du 19 décembre 1972, portant conclusion d'un accord entre la Communauté économique européenne et la Confédération suisse, *OJ L 300* (1972), p 188. English translation (reflecting subsequent amendments) at: [https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1550574363201&uri=CELEX:01972A0722\(03\)-20180501](https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1550574363201&uri=CELEX:01972A0722(03)-20180501) [accessed 10 March 2019]

- The 2000 Agreement in the form of an exchange of letters on tariff preferences under the Generalised Scheme of Preferences (GSP), aimed to facilitate imports from developing countries;
 - The 2004 Agreement to combat fraud and other illegal activities;
 - The 2009 Customs Security Agreement, which has streamlined border inspections and formalities.³
4. The Trade Agreement incorporates these EU-Swiss Agreements *mutatis mutandis*.⁴ It comprises an ‘Umbrella Instrument’, setting overarching provisions, and Annexes that outline targeted modifications to the underlying EU-Swiss Agreements. The Agreements are incorporated as amended at the time immediately before they cease to apply to the UK. Four of the incorporated Agreements (the incorporated FTA, MRA, Agriculture Agreement and Customs Security Agreement) differ substantially from their precursors.⁵
 5. The EM states that the transitioned EU-Swiss Agreements have been identified by the Parties as those “relating to trade”. It is, however, important to point out that the rolled over agreements do not represent all the agreements between Switzerland and the EU that underpin or have an impact on trade. While they include some of the most significant EU-Swiss agreements, others have not been rolled over.
 6. An overview of UK-Swiss trade is given in Box 1.

Box 1: UK-Swiss trade

Switzerland is the UK’s 10th-largest trading partner, and the 3rd-largest non-EU partner after the United States and China, with bilateral trade amounting to £30.7 billion in 2017.

Just over half of UK-Swiss trade, however, consists of services, where Switzerland is the UK’s 7th-largest partner. The UK has a large trade surplus in services, overwhelmingly made up of financial services (£1.95 billion) and other business services (£6.5 billion).

Switzerland is the UK’s 15th-largest partner in goods trade, comprising 1.8% of total UK goods trade. Precious metals make up over two-thirds of UK goods exports to Switzerland, while imports are largely made up of precious metals and pharmaceutical products.

Source: Office for National Statistics, ‘UK Balance of Payments, The Pink Book: 2018’, 31 July 2018: <https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/bulletins/unitedkingdombalanceofpaymentsthepinkbook/2018> [accessed 12 March 2019]

- 3 Links to English versions of the consolidated texts of these various EU-Swiss sectoral agreements are given in the Parliamentary Report, published alongside the UK-Switzerland Agreement: see Department for International Trade, *Continuing the United Kingdom’s Trade Relationship with the Swiss Confederation*, February 2019, para 20: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/780864/Continuing-the-UKs-trade-relationship-with-the-Swiss-Confederation-parliamentary-report.pdf [accessed 10 March 2019]
- 4 The Latin term *mutatis mutandis* is used when comparing two or more things to say that, although changes will be necessary in order to take account of different situations, the basic point remains the same. For more detail, see our report *Scrutiny of international agreements: treaties considered on 26 February 2019* (31st Report, Session 2017–19, HL Paper 300).
- 5 We note that there were two typographical errors in the English language version of the Agreement. These related to the precise extent of the provisions of the MRA and agricultural agreements that were to be rolled over. We were informed that the correct information had been provided in the Parliamentary Report and that there had since been an exchange of diplomatic notes with Switzerland to correct the version of the Agreement which contained the error.

Key differences between the Trade Agreement and the precursor EU-Swiss Agreements

7. Our scrutiny of the Trade Agreement has been informed by helpful discussions and exchanges at official level. We are grateful to Department for International Trade (DIT) officials for their assistance, which has helped us to identify the following key areas where the treaty text is different.

Cumulation

8. The new Protocol 3 in the incorporated FTA contains extensive cumulation of origin provisions.⁶ The parliamentary report explains that these require each Party to recognise (in technical terms, ‘cumulate’) EU materials contained in imports coming from the other Party as originating in that Party. Moreover, EU working or processing will (under certain conditions) be recognised as UK working or processing in exports to Switzerland. These provisions will apply for three years from the point at which the Trade Agreement takes effect, provided UK-EU arrangements on administrative cooperation are in place. DIT officials did not foresee difficulties in securing basic cooperation arrangements with the EU in a ‘no deal’ scenario—this does not seem unrealistic, as the rules on cumulation also benefit European suppliers. The footnotes to Articles 3 and 4 of the Protocol state that the Parties will reconsider these arrangements no later than six months before the end of the three-year period.
9. The parliamentary report states that cumulation arrangements are “subject to satisfying certain conditions”, but does not set these conditions out in detail. In essence, for a product to be recognised as being of UK or Swiss origin, working or processing carried out in the UK or Switzerland should go beyond certain minimal operations, listed in Article 7 of Protocol 3. Alternatively, value added in the UK or Switzerland should be greater than that added in any other country.
10. Although not set out in the parliamentary report, the Trade Agreement also maintains cumulation provisions with some non-EU countries. In particular, materials from Liechtenstein,⁷ Iceland, Norway and Turkey will also be recognised, as will materials originating from countries listed in Annex A to the Protocol, which are Parties to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin (PEM Convention).⁸ This, however, is conditional upon the UK and Switzerland having concluded FTAs with those other countries.⁹

6 More detail on cumulation of origin is available in Box 2 of our report *Scrutiny of international agreements: treaties considered on 26 February 2019* (31st Report, Session 2017–19, HL Paper 300).

7 A footnote to Article 3 explains that due to the Customs Treaty between Liechtenstein and Switzerland, products originating in Liechtenstein are considered as originating in Switzerland.

8 The PEM Convention is a multilateral agreement between the EU and members of the pan-Euro-Mediterranean zone, notably: Iceland, Liechtenstein, Norway, Switzerland, Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority, Syria, Tunisia, Turkey, Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, Kosovo, the Faroe Islands, Moldova, Georgia and Ukraine. See <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2013:054:TOC> [accessed 12 March 2019]

9 The wording of the main text and footnotes to Article 3 of the Protocol is complex, but our understanding is that the FTAs required for cumulation arrangements with Parties to the PEM Convention will depend on the export destination of the product.

Scope of mutual recognition

11. The incorporated MRA covers only three of the 20 sectors in scope of the EU-Swiss MRA: (i) motor vehicles; (ii) Good Laboratory Practices; (iii) medicinal products—inspection of Good Manufacturing Practices and batch inspection. The parliamentary report states that the transitioned sectors cover over three-quarters of exports in scope of the EU-Swiss MRA and 84% of imports.
12. The precursor EU-Swiss MRA rests on the EU and Switzerland recognising the equivalence of their respective product legislation in sectors covered. As a result, both EU and Swiss attestations of conformity can be used in both markets. The difficulty in rolling over these obligations stems from the fact that they are based on harmonisation or recognition of equivalence of rules between Switzerland and the EU.
13. The UK and Switzerland have been able to transition arrangements for the three sectors that are underpinned by international standards. The Parties have, moreover, signed a Memorandum of Understanding (MoU) whereby they undertake to continue discussions on the disapplied chapters of the MRA. Simplified arrangements are being considered that would allow for attestations of conformity issued by UK bodies against Swiss rules to be recognised in Switzerland and *vice versa*.
14. The parliamentary report also notes that the Information Exchange system with regard to the MRA has been changed. Where under the EU-Switzerland MRA both Parties were obliged to notify each other when legislation within the scope of the MRA changed, the UK and Switzerland only have to inform each other when they expect that legislative, regulatory and administrative provisions “shall deviate” from the corresponding provisions in the MRA. The other Party may then forward the matter to the Joint Committee, which will review the significance of any deviation and its implications (if any) for continued equivalence.

Agricultural products

15. The Trade Agreement transitions the annexes of the precursor EU-Swiss Agriculture Agreement on: (i) tariff rate quotas (TRQs); (ii) wine; (iii) spirits; (iv) marketing regulations for fruit and vegetables; and (v) geographical indications (GIs).¹⁰ As for other trade agreements considered by this Committee,¹¹ TRQs have been resized based on a range of evidence, including historical usage data and trade flow data, to reflect that the UK is a smaller import/export market than the EU. Where the UK or Swiss usage of TRQs was very low or zero, proxy indicators (indirect measures) have been employed. This is intended to allow for a buffer should UK or Swiss businesses decide to make greater use of TRQs in the future.
16. The disapplied annexes concern organic products and sanitary and phytosanitary measures in relation to plant health, animal feed, seeds, and animal health and trade in animals and animal products. The parliamentary

10 Department for International Trade, *Continuing the United Kingdom’s Trade Relationship with the Swiss Confederation*, February 2019, para 104: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/780864/Continuing-the-UKs-trade-relationship-with-the-Swiss-Confederation-parliamentary-report.pdf [accessed 10 March 2019]

11 European Union Committee, *Scrutiny of international agreements: treaties considered on 26 February 2019* (31st Report, Session 2017–19, HL Paper 300)

report observes that these annexes contain “requirements for equivalence or harmonisation with EU law and systems” that have made their immediate application impossible.

17. The disapplication of sanitary and phytosanitary provisions for the cited agricultural products does not in itself imply that trade in these products will have to stop. But facilitations provided under the precursor EU-Swiss Agreement may fall away. We note that guidance published by the Swiss Government indicates that, in a ‘no deal’ scenario, Switzerland will only be able to accept imports of animals and animal products from the UK once the UK is ‘listed’ by the European Commission as a third country for animal health purposes.¹² DIT officials confirmed this assessment.
18. The parliamentary report states that the provisions in the excluded annex on organic products “enable certified organic products to be labelled and sold to consumers in the UK and Switzerland”. The Government has laid draft Statutory Instruments (SIs) for the continued recognition of organic products from Switzerland as equivalent.¹³ This will address only domestic law, and DIT officials have confirmed that without a reciprocal arrangement, the UK will not be able to export products marketed as organic to Switzerland.

Customs security

19. The Trade Agreement incorporates the Customs Security Agreement but disapplies it entirely. The parliamentary report explains that its application would require the UK to have an agreement with the EU on safety and security. It states that upon entry into force of the Trade Agreement, the Joint Committee will examine whether the Customs Security Agreement should be applied “following consideration of the UK-EU relationship”. Committee staff asked officials whether, if a decision were made to adopt a replacement Customs Security Agreement in the Joint Committee, this agreement would be subject to the CRAG Act process. In response, we were informed that the UK would revisit its approach to transitioning this agreement once its relationship with the EU had been agreed.
20. In our report *Scrutiny of international agreements: Treaties considered on 26 February 2019* we noted that most international agreements made provision for amendment and modification, but that it was far from clear in which circumstances such changes would be subject to the scrutiny procedures required by the CRAG Act.¹⁴ In response to further inquiries, the DIT told us that where a treaty does not expressly provide for the decision that amends the treaty to be subject to completion of domestic procedures the CRAG procedure will not apply. This, according to the Government, would allow modifications to be made on less important matters. Given the lack of clarity identified above, in respect of the Customs Security Arrangement, we remain concerned that significant amendments to agreements may be made without adequate parliamentary scrutiny. The fact that the Government would be obliged to implement such amendments in domestic law is not an

12 Swiss State Secretariat for Economic Affairs, *Economic relations between Switzerland and the United Kingdom after Brexit*: https://www.seco.admin.ch/seco/en/home/Aussenwirtschaftspolitik_Wirtschaftliche_Zusammenarbeit/Wirtschaftsbeziehungen/brexit.html [accessed 1 March 2019]

13 [Organic Production and Control \(Amendment\) \(EU Exit\) Regulations 2019](#), [Organic Production \(Control of Imports\) \(Amendment\) \(EU Exit\) Regulations 2019](#), [Agriculture \(Legislative Functions\) \(EU Exit\) \(No. 2\) Regulations 2019](#). Only part 4 of the latter SI relates to organic products.

14 House of Lords European Committee, *Scrutiny of international agreements: Treaties considered on 26 February 2019* (31st Report, Session 2017–19, HL Paper 300), para 13

adequate safeguard, given that this is generally done by way of secondary legislation.

21. The report also notes that a key implication of this suspension is that Switzerland will no longer recognise the Authorized Economic Operator (AEO) status of businesses accredited as AEOs in the UK. These businesses will therefore lose the benefits of participation in the AEO scheme, for example fewer controls at the Swiss border.

Governance arrangements and entry into force

22. Joint Committees provided for under the precursor EU-Swiss Agreements are replicated by the Trade Agreement. Responsibility for the proper operation of the Umbrella Instrument rests with the Joint Committee under the incorporated FTA.¹⁵ Article 7 of the Umbrella Instrument empowers Joint Committees to amend Annexes, Appendices, Protocols or Notes to the specific Incorporated Agreement for which they are responsible, subject to the relevant provisions of the Agreement concerned.
23. Like the other Brexit-related treaties we considered so far, the Trade Agreement will take effect when the UK ceases to be a Party to the precursor EU-Swiss Agreements—either at the end of the transition period under the Withdrawal Agreement or, if no agreement on withdrawal is reached, upon exit. Should the necessary domestic ratification procedures not be completed in time, the Trade Agreement will be applied provisionally.

Consultations

24. We note that the Government’s Explanatory Memorandum (EM), while making reference to the Government’s ongoing engagement with the private sector and the devolved administrations on trade policy matters, does not clarify if specific consultations have taken place on the Trade Agreement. We reiterate the recommendation in our report *Scrutiny of international agreements: Treaties considered on 12 February 2019*¹⁶ that the Government’s explanatory material should state clearly whether there has been consultation with the devolved administrations, industry or other stakeholders.
25. DIT officials told us that the Government had not received specific feedback from industry stakeholders on the excluded chapters of the MRA and the Agriculture Agreement but had offered further meetings.

UK-Swiss trade in services

26. The parliamentary report indicates that trade in services accounts for a sizeable share (52%) of overall trade between the UK and Switzerland. The EM states that the transitioned EU-Swiss Agreements have been identified by the Parties as those “relating to trade” and that “there is no comprehensive agreement on trade in services to replicate”. In our report *Brexit: trade in non-financial services*¹⁷ we noted that there were several bilateral agreements between the EU and Switzerland supporting trade in services. Indeed, the Government has laid before Parliament two related ‘roll-over’ agreements with Switzerland, a UK-Swiss Agreement on Direct Insurance other than

¹⁵ Article 6(2) of the Umbrella Instrument

¹⁶ European Union Committee, *Scrutiny of international agreements: treaties considered on 12 February 2019* (29th Report, Session 2017–19, HL Paper 287)

¹⁷ European Union Committee, *Brexit: trade in non-financial services* (18th Report, Session 2017–19, HL Paper 135)

Life Insurance and a UK-Swiss Agreement on Citizens' Rights and the Free Movement of Persons.¹⁸ Beyond this, the DIT's position appears to be that trade in services between the UK and Switzerland will continue on a WTO basis.

27. **We are disappointed that the Government, in bringing forward the UK-Swiss Trade Agreement, has not provided an explanation of its plans for future UK-Swiss services trade, and call on it now to do so.**

Conclusion

28. **We draw special attention to the Trade Agreement between the United Kingdom of Great Britain and Northern Ireland and the Swiss Confederation, on the grounds that:**
- **It is politically important, and gives rise to issues of public policy that the House may wish to debate prior to ratification; and**
 - **It differs significantly from the precursor agreement to which the UK is party as an EU Member State.**

18 The UK-Swiss Agreement on Direct Insurance other than Life Insurance was laid on 30 January 2019. We reported it for information in our report *Scrutiny of international agreements: treaties considered on 12 February 2019* (29th Report, Session 2017–19, HL Paper 287). The UK-Swiss Agreement on Citizens' Rights and the Free Movement of Persons Agreement was laid on 28 February 2019; the Committee will report on it in due course.

CHAPTER 2: AGREEMENTS REPORTED FOR INFORMATION

1994 Agreement on Government Procurement (CP 51, 2019)¹⁹ and the Revised Agreement on Government Procurement (CP 52, 2019)²⁰

29. The 1994 Agreement on Government Procurement and the Revised Agreement on Government Procurement were laid on 18 February 2019, and the scrutiny period is scheduled to end on 25 March. They were considered by the Internal Market Sub-Committee at its meeting on 7 March.
30. The Agreement on Government Procurement (the GPA) is a plurilateral WTO agreement under which the Parties open their public procurement markets to each other.²¹ The GPA was first agreed in 1994, followed by an amended version—the Revised GPA—in 2012. The GPA does not automatically apply to all procurement activities of the Parties. Rather, it contains coverage schedules which define each Party’s commitments, or in other words, the level of access provided. GPA-covered procurement is estimated to be worth around £1.3 trillion per annum.²²
31. The UK participates in the GPA as an EU Member State. The Government therefore intends to deposit an instrument of accession as an independent Party. The UK’s accession to the GPA would be based on schedules that are substantially the same to the coverage given by the UK under the EU’s schedules. Furthermore, the Government has laid a draft Statutory Instrument that would maintain the same rights and remedies the UK currently gives to suppliers from GPA Parties for a period of eighteen months after the UK’s withdrawal from the EU.²³
32. Department for International Trade officials confirmed that the UK would receive substantially the same market access from all GPA Parties as is afforded to the EU. Chinese Taipei has not yet taken the necessary steps to give the UK the same access as the EU, but this is not expected to cause significant disruption for the UK.
33. The Explanatory Memoranda (EMs) accompanying the documents address UK accession to the GPA in a ‘deal’ and a ‘no deal’ scenario. Under a ‘deal’ scenario, the UK would continue to be covered by the GPA according to EU schedules for the duration of the transition period—the Government would therefore delay deposit of the instrument of accession.
34. In a ‘no deal’ scenario, the Government would deposit the instrument of accession as soon as possible after the expiry of the 21-day parliamentary scrutiny period required by the Constitutional Reform and Governance Act 2010—expected to be 25 March 2019. However, the GPA only enters into

19 1994 Agreement on Government Procurement, CP 51, 2019: <https://www.gov.uk/government/publications/ms-no122019-1994-agreement-on-government-procurement> [accessed 7 March 2019]

20 Revised Agreement on Government Procurement, CP 52, 2019: <https://www.gov.uk/government/publications/ms-no112019-revised-agreement-on-government-procurement> [accessed 7 March 2019]

21 The Parties to the GPA are: Armenia; Canada; the EU; Hong Kong; China; Iceland; Israel; Japan; Republic of Korea; Liechtenstein; Republic of Moldova; Netherlands with respect to Aruba; New Zealand; Norway; Singapore; Switzerland (accession to the Revised GPA pending); Chinese Taipei, Ukraine; and the United States

22 World Trade Organization, ‘Agreement on Government Procurement’: https://www.wto.org/english/tratop_e/gproc_e/gp_gpa_e.htm [accessed 1 March 2019]

23 Draft Regulations were laid by the Scottish Ministers for Scotland and UK Ministers for the rest of the UK: [The Public Procurement \(Amendment etc.\) \(EU Exit\) \(No. 2\) Regulations 2019](#); and [The Public Procurement etc. \(Scotland\) \(Amendment\) \(EU Exit\) Amendment Regulations 2019](#)..

force for an acceding member 30 days after such an instrument is deposited. This means that, if the UK left the EU without a deal on 29 March 2019, there would be a period during which the UK would not be covered by the GPA. Department for International Trade officials estimated that coverage would resume between 26 and 28 April 2019. We recognise that access to some GPA Parties' procurement markets may be maintained by other means, such as the domestic legislation of those Parties, but also note that an assessment of the impact of a gap in GPA coverage for UK suppliers has not been provided.

35. The EMs explain that “the devolved administrations have signalled their support for the UK’s efforts to accede to the GPA on the basis of current commitments”. It is also noted that the UK’s commitments as a WTO territory do not extend to the Overseas Territories or the Crown Dependencies, except for the Isle of Man, for which the Government will not make a declaration on participation, as the Isle of Man does not have any procuring entities listed in the UK’s market access offer.

36. **We report the 1994 Agreement on Government Procurement and the Revised Agreement on Government Procurement for information.**

Agreement between the United Kingdom of Great Britain and Northern Ireland and the United States of America on the Mutual Recognition of Certificates of Conformity for Marine Equipment (CP 53, 2019)²⁴

37. The UK-US Mutual Recognition Agreement of Certificates of Conformity for Marine Equipment was laid on 18 February 2019, and the scrutiny period is scheduled to end on 25 March. It was considered by the External Affairs Sub-Committee at its meeting on 7 March.
38. In 2004 the European Community and the United States of America agreed on the mutual recognition of certificates of conformity for marine equipment. The Agreement covered a range of maritime equipment, including life-saving equipment, fire protection and navigational equipment. The UK-US Agreement replicates the effect of the EC-US Agreement, and no material changes have been made. This means that designated products complying with UK requirements will continue to be accepted for placing on board a US-registered vessel without the need for further testing or certification (and *vice versa*).
39. The Agreement will come into force once both Parties have written to confirm they have completed the necessary internal procedures, which the UK Government intends to be either at the end of any transition period agreed with the EU or on the date that the UK leaves the EU without a deal.
40. **We report the UK-US Mutual Recognition Agreement of Certificates of Conformity for Marine Equipment for information.**

24 Agreement between the United Kingdom of Great Britain and Northern Ireland and the United States of America on the Mutual Recognition of Certificates of Conformity for Marine Equipment, CP 53, 2019: <https://www.gov.uk/government/publications/cs-usa-no42019-ukusa-agreement-on-the-mutual-recognition-of-certificates-of-conformity-for-marine-equipment> [accessed 7 March 2019]

Agreement on Mutual Recognition Between the United Kingdom of Great Britain and Northern Ireland and the United States of America (CP 54, 2019)²⁵

41. The UK-US Mutual Recognition Agreement was laid on 18 February 2019, and the scrutiny period is scheduled to end on 25 March. It was considered by the External Affairs Sub-Committee at its meeting on 7 March.
42. In 1998 a mutual recognition agreement covering various sectors was concluded by the European Community and the United States of America. This Agreement replicates the effect of the EC-US Agreement, thus enabling UK manufacturers in specified sectors to continue to have their products tested against US regulations in the UK by the same conformity assessment bodies as hitherto (and *vice versa*). No material changes have been made.
43. The sectors covered by the Agreement are telecommunications equipment, electromagnetic compatibility, and pharmaceutical good manufacturing practices. In the case of the latter, the Agreement allows for the mutual recognition of inspection documents assuring the manufacturing processes of certain pharmaceutical goods.
44. The Agreement will come into force once both Parties have written to confirm they have completed the necessary internal procedures, which the UK Government intends to be either at the end of any transition period agreed with the EU or on the date that the UK leaves the EU without a deal.
45. **We report the UK-US Mutual Recognition Agreement for information.**

²⁵ Agreement on Mutual Recognition Between the United Kingdom of Great Britain and Northern Ireland and the United States of America, CP 54, 2019: <https://www.gov.uk/government/publications/cs-usa-no52019-ukusa-agreement-on-mutual-recognition> [accessed 7 March 2019]

APPENDIX 1: LIST OF MEMBERS, DECLARATIONS OF INTEREST AND SUB-COMMITTEE STAFF

Members of the European Union Select Committee

Baroness Armstrong of Hill Top
 Lord Boswell of Aynho (Chair)
 Baroness Brown of Cambridge
 Lord Cromwell
 Baroness Falkner of Margravine
 Lord Jay of Ewelme
 Baroness Kennedy of The Shaws
 The Earl of Kinnoull
 Lord Liddle
 The Earl of Lindsay
 Baroness Neville-Rolfe
 Baroness Noakes
 Lord Polak
 Lord Ricketts
 Lord Soley
 Baroness Suttie
 Lord Teverson
 Baroness Verma
 Lord Whitty

Declarations of interest

Baroness Armstrong of Hill Top
Joint owner of a property in Spain

Lord Boswell of Aynho (Chair)
In receipt of salary as Principal Deputy Chairman of Committees, House of Lords
Shareholdings as set out in the Register of Lords' Interests
Income is received as a Partner (with wife) from land and family farming business trading as EN & TE Boswell at Lower Aynho Grounds, Banbury, with separate rentals from cottage and grazing
Land at Great Leighs, Essex (one-eighth holding, with balance held by family interests), from which rental income is received
House in Banbury owned jointly with wife, from which rental income is received
Lower Aynho Grounds Farm, Northants/Oxon; this property is owned personally by the Member and not the Partnership

Baroness Brown of Cambridge
Vice Chair of the Committee on Climate Change
Chair of the Adaptation Sub-Committee of the Committee on Climate Change
Chair of the Henry Royce Institute for Advanced Materials
Chair of STEM Learning Ltd
Non-Executive Director of the Offshore Renewable Energy Catapult
Chair of The Carbon Trust
Council member of Innovate UK

Lord Cromwell

Employment, partnership, business interests and shareholdings as set out in the Register of Lords' interests

Patron of Wildlife Vets International

Partner (not Head of Holding) in a farming partnership in Leicestershire (including organic farming)

Baroness Falkner of Margravine

Member, British Steering Committee: Koenigswinter, The British-German Conference

Member, Advisory Board, Demos

Lord Jay of Ewelme

Trustee (Non-Executive Director), Thomson Reuters Founders Share Company

Vice Chairman, European Policy Forum Advisory Council

Member, Senior European Experts Group

Trustee, Magdalen College, Oxford Development Trust

Baroness Kennedy of The Shaws

President, Justice, UK arm of International Commission of Jurists

Chancellor, Sheffield Hallam University

The Earl of Kinnoull

Farming interests as principal and as charitable trustee, in receipt of agricultural subsidy

Chairman, Culture Perth and Kinross, in receipt of governmental subsidy

Chairman, United Kingdom Squirrel Accord, in receipt of governmental monies

Director, Horsecross Arts, in receipt of governmental subsidy

Shareholdings as set out in the register

Lord Liddle

Member, Cumbria County Council

Pro-Chancellor (Chair of Board), Lancaster University

Co-Chair, Policy Network

The Earl of Lindsay

Chairman, United Kingdom Accreditation Service (UKAS)

Chairman, BPI Pension Trustees Limited

Farmer, in receipt of CAP support

Baroness Neville-Rolfe

Former Commercial Secretary, HM Treasury

Former Minister of State for Energy and Intellectual Property

Chair, Assured Food Standards Ltd

Non-Executive Director, Capita Plc

Non-Executive Director, Secure Trust Bank

Governor, London Business School

Shareholdings as set out in the register

Trustee (Non-Executive Director), Thomson Reuters Founders Share Company

Baroness Noakes

Director, Royal Bank of Scotland Group plc

Interests in a wide range of listed companies as disclosed in the Register of Interests

Lord Polak

Employment and business as set out in the Register of Lords' interests

Lord Ricketts

Non-Executive Director, Group Engie, France
Strategic Adviser, Lockheed Martin UK
Charitable activities as set out in the Register of Interests

Lord Soley

Member: International Institute for Strategic Studies, Royal College of Defence Studies, Chatham House

Baroness Suttie

Associate with Global Partners Governance Limited
Trustee, Institute for Public Policy Research (IPPR)

Lord Teverson

Trustee, Regen SW
In receipt of a pension from the European Parliament

Baroness Verma

No relevant interests declared

Lord Whitty

Vice President, Chartered Trading Standards Institute
Chair, Road Safety Foundation
Vice President, Local Government Association
President, Environmental Protection UK
Member, GMB
Vice President, British Airline Pilots Association

Dr Holger Hestermeyer, Shell Reader in International Dispute Resolution at King's College London, is acting as Specialist Adviser supporting the Committee's scrutiny of international agreements, and has declared no relevant interests.

Sub-Committee Members and staff

EU Energy and Environment Sub-Committee

Lord Teverson (Chair)
 Lord Cameron of Dillington
 Viscount Hanworth
 Lord Krebs
 The Duke of Montrose
 Lord Rooker
 Lord Selkirk of Douglas
 Baroness Sheehan
 The Earl of Stair
 Viscount Ullswater
 Baroness Wilcox
 Lord Young of Norwood Green

For relevant interests see: https://www.parliament.uk/documents/lords-committees/eu-energy-environment-subcommittee/scrutiny-2017-19/DoI_Scrutiny_2017-19.pdf

The Sub-Committee staff are Alex McMillan (Clerk), Jennifer Mills (Policy Analyst) and Sally Dray (Committee Assistant).

EU External Affairs Sub-Committee

Baroness Verma (Chair)
Baroness Armstrong of Hill Top
Baroness Brown of Cambridge
Baroness Chalker of Wallasey
Lord Dubs
Lord Horam
The Earl of Oxford and Asquith
Lord Risby
Lord Stirrup
Baroness Suttie
Baroness Symons of Vernham Dean
Lord Triesman

For relevant interests see: <https://www.parliament.uk/documents/lords-committees/eu-external-affairs-subcommittee/members-interests-2019.pdf>

The Sub-Committee staff are Jennifer Martin-Kohlmorgen (Clerk), Julia Ewert (Policy Analyst) and Mithula Parayoganathan (Committee Assistant).

EU Financial Affairs Sub-Committee

Baroness Falkner of Margravine (Chair)
Lord Bruce of Bennachie
Lord Butler of Brockwell
Lord Cavendish of Furness
Lord Desai
Lord Giddens
Baroness Liddell of Coatdyke
The Earl of Lindsay
Baroness Neville-Rolfe
Lord Thomas of Cwmgiedd
Viscount Trenchard
Lord Vaux of Harrowden

For relevant interests see: <https://www.parliament.uk/documents/lords-committees/eu-financial-affairs-subcommittee/declarations-of-interests-session-2017-19/Interests-2017-19.pdf>

The Sub-Committee staff are Matthew Manning (Clerk), Erik Tate (Policy Analyst) and Hadia Garwell (Committee Assistant).

EU Home Affairs Sub-Committee

Lord Jay of Ewelme (Chair)
Lord Best
Lord Haselhurst
Baroness Janke
Lord Kirkhope of Harrogate
Baroness Massey of Darwen
Lord O'Neill of Clackmannan
Baroness Pinnock
Lord Ribeiro
Lord Ricketts
Lord Soley
Lord Watts

For relevant interests see: <https://www.parliament.uk/documents/lords-committees/eu-home-affairs-subcommittee/scrutiny-work/Scrutiny-interests.pdf>

The Sub-Committee staff are Pippa Patterson (Clerk), Megan Jones (Policy Analyst) and George Stafford (Committee Assistant).

EU Internal Market Sub-Committee

Lord Whitty (Chair)
 Lord Aberdare
 Baroness Donaghy
 Lord German
 Lord Lansley
 Lord Liddle
 Baroness McGregor-Smith
 Baroness Noakes
 Baroness Randerson
 Lord Rees of Ludlow
 Lord Robathan
 Lord Russell of Liverpool
 Lord Wigley

For relevant interests see: <https://www.parliament.uk/documents/lords-committees/eu-internal-market-subcommittee/Declarations-of-Interests-for-Scrutiny-work-2017-19.pdf>

The Sub-Committee staff are Rosanna Barry (Clerk), Francesca D'Urzo (Policy Analyst) and Glenn Chapman (Committee Assistant).

EU Justice Sub-Committee

Baroness Kennedy of The Shaws (Chair)
 Lord Anderson of Swansea
 Lord Cashman
 Lord Cromwell
 Lord Dholakia
 Lord Judd
 The Earl of Kinnoull
 Baroness Ludford
 Baroness Neuberger
 Lord Polak
 Baroness Shackleton of Belgravia
 Lord Wasserman

For relevant interests see: <https://www.parliament.uk/documents/lords-committees/eu-justice-subcommittee/Scrutiny-Interests/declarations-of-interest-for-scrutiny-work-2017-19.pdf>

The Sub-Committee staff are Simon Cran-McGreehin (Clerk) and Amanda McGrath (Committee Assistant).

A full list of Members' interests can be found in the Register of Lords' Interests: <http://www.parliament.uk/mps-lords-and-offices/standards-and-financial-interests/house-of-lords-commissioner-for-standards-/register-of-lords-interests/>