Rt Hon Michael Gove MP
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Joan McAlpine MSP
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Scottish Parliament
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Dear Joan,

Thank you for your letter of 13 November. I look forward to appearing in front of your committee and discussing these matters further with you and your colleagues.

I note your point on the limited time left to negotiate the future relationship with the EU. Intensive negotiations with the EU are ongoing, and the UK negotiating team has been in talks almost every day since 22 October. The Prime Minister spoke with the President of the European Commission by phone on 13 December, and discussed the major unresolved topics. Both the UK Government and the European Commission have decided that it would be responsible for negotiations to continue, to see whether an agreement can even at this late stage be reached. We remain committed to exploring every last avenue to reach a fair deal. If suitable compromises cannot be reached with our European friends, then we will leave the transition period without a free trade agreement (FTA).

Whether or not we reach agreement with the EU on a free trade agreement, people and businesses must prepare now for the change that is coming at the end of the transition period on 1 January. The UK Government has been working closely with the Scottish Government, and other devolved administrations, on these preparations. Many of the actions which businesses and citizens must take need to happen regardless of whether or not an FTA is agreed.

Whilst many businesses have been preparing for the end of the transition period since last year, we also recognise the impact COVID-19 has had on their ability to plan and prepare. I can assure you that there is very regular engagement with businesses, both on the ways in which COVID-19 is affecting different areas of their operations, and to make sure they have the information they need as they make their final preparations for the end of the year. We will continue to review and update the guidance available on gov.uk/transition to help ensure businesses are as prepared as possible for the changes and opportunities.

You asked about a six month grace period. As you know, not extending the transition period, is enshrined in UK law. The deadline for an extension has anyway long since passed. I can, however, point to the unilateral actions which the Government has taken to phase in the
introduction of new border controls in three stages up to 1 July 2021 to give business extra time to adjust to new procedures, using some of our regained powers as a sovereign nation. From January 2021 full customs declarations will be needed for controlled goods imported from the EU into Great Britain Standard goods - which make up the majority of imports - will be subject to a new temporary approach for a six-month period. Importers, or their agents, will need to make a record in their commercial records when goods are imported, and then will have up to six months to submit a supplementary customs declaration to HMRC. While tariffs will need to be paid on all imports (if required), payments can be deferred until the customs declaration has been made. From April 2021 all products of animal origin – for example meat, pet food, honey, milk or egg products – and all regulated plants and plant products will also require pre-notification and the relevant health documentation. From July 2021 traders moving all goods will have to make declarations at the point of importation and pay relevant tariffs. Full Safety and Security declarations will be required, while for SPS commodities there will be an increase in physical checks and the taking of samples. As you will be aware, the movement of goods under the Northern Ireland Protocol is subject to different procedures and the Government has published a Command Paper on 10 December detailing this.

To support the seafood sector, including in Scotland, the UK Government is working closely with businesses and other partners across the UK to ensure that trade can continue as smoothly as possible when the transition period ends on 31 December. The UK Government is prioritising fish through Operation Brock, and supporting Local Authorities to prepare for new processes. For instance, we have introduced the Fish Export Service, which is a digital solution that allows exporters to get a validated Catch Certificate 24 hours a day for free. It is currently open for public testing. We encourage industry to register and test the system.

Thank you again for writing and for the invitation to appear before your Committee.

With every good wish,

Rt Hon Michael Gove MP
Chancellor of the Duchy of Lancaster
and Minister for the Cabinet Office