

The European Union (Withdrawal) Act and Common Frameworks

26 September to 25 December 2020



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Presented to Parliament pursuant to paragraph 4 of Schedule 3 to the European Union (Withdrawal) Act 2018

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ISBN 978-1-5286-2439-8

CCS0221080326 03/21

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Foreword

Since 2017, the UK Government and devolved administrations have been working together to develop agreements covering a range of policy areas which have returned from the European Union and which intersect with devolved competence. This will have a direct bearing on the lives of citizens across the United Kingdom. The development of UK Common Frameworks is guided by principles agreed at the Joint Ministerial Committee (EU Negotiations) (JMC(EN)) in October 2017 between the UK Government and Scottish and Welsh Governments, and later on 15 June 2020, endorsed by the Executive Committee of the Northern Ireland Executive.

Under Schedule 3 of the European Union (Withdrawal) Act 2018, the UK Government has a statutory requirement to report to the UK Parliament every three months on the progress made on the development of UK Common Frameworks. This tenth European Union Withdrawal and Common Frameworks report details progress from 26 September - 25 December 2020. In addition to progress made, the report details that the UK Government did not make use of powers under section 12 of the European Union (Withdrawal) Act 2018 to temporarily maintain existing limits on devolved competence in some policy areas.

Despite the continued pressure that the COVID-19 outbreak has placed upon the programme's capacity in this reporting period, the UK Government and devolved administrations have remained committed to progressing UK Common Frameworks. As a result, almost all frameworks underwent significant further development towards becoming operational frameworks, including review and assessment by a joint UK Government and devolved administration panel of officials. During this reporting period, the Food and Feed Safety and Hygiene Law framework received provisional approval from JMC(EN) Ministers, bringing the total number of provisionally approved frameworks to three, alongside the Nutrition Labelling, Composition and Standards framework and the Hazardous Substances (Planning) framework which were approved in the previous reporting period.

The UK Government and devolved administrations' engagement with technical stakeholders increased dramatically during this reporting period, with engagement taking place via video conference or written correspondence, in line with COVID-19 guidance. Engagement with legislatures continued to develop, with many frameworks initiating or preparing for parliamentary scrutiny.

During this reporting period, on 17 December 2020, the UK Internal Market (UKIM) Bill was granted Royal Assent, becoming the UKIM Act. The relationship between Common Frameworks and the Act received significant attention during the Act's passage through Parliament, and featured as a key subject in several Parliamentary debates.

Also during this reporting period, on 24 December 2020, the UK-EU Trade and Cooperation Agreement (TCA) was agreed. It changed the basis of the UK's relationship with the EU and set out preferential arrangements in some policy areas that directly intersect with Common Frameworks. Any agreements or decisions taken under a Common Framework will need to be consistent with the terms of the TCA, just as they would need to be with any other international obligation of the UK.

Implementation of Common Frameworks

- 1.1. Part 2 of Schedule 3 to the European Union (Withdrawal) Act 2018 requires that a Minister of the Crown report to Parliament at three month intervals on various matters pertaining to Common Frameworks, and the use of the powers in section 12 of, and Schedule 3 to, the 2018 Act to temporarily maintain the existing EU law limits on devolved competence. Reports are shared with the devolved administrations to enable them to maintain a concurrent level of scrutiny. The last report was published on 10 December 2020 and covered the reporting period 26 June 2020 to 25 September 2020.¹
- 1.2. The purpose of these reports is to ensure that the process of developing Common Frameworks, in collaboration with the devolved administrations, is transparent and subject to robust parliamentary scrutiny.

Principles for Common Frameworks

- 1.3. Under the Withdrawal Agreement, EU law continued to apply to and in the UK during the Transition Period which ended on 31 December 2020. Under the devolution settlements and until the end of the Transition Period, the devolved legislatures and administrations could not act incompatibly with EU law. The EU laws created common UK-wide approaches even where those policy areas were otherwise within devolved competence. All four administrations across the UK have agreed that common approaches will continue to be required in some areas now the UK has left the EU and exited the Transition Period.
- 1.4. In October 2017, the Joint Ministerial Committee (EU Negotiations) agreed upon principles to guide the work to create Common Frameworks.² These principles are set out below:
 - 1. Common Frameworks will be established where they are necessary in order to:
 - enable the functioning of the UK internal market, while acknowledging policy divergence:
 - ensure compliance with international obligations;
 - ensure the UK can negotiate, enter into and implement new trade agreements and international treaties;
 - enable the management of common resources;
 - administer and provide access to justice in cases with a cross-border element:
 - safeguard the security of the UK.
 - 2. Frameworks will respect the devolution settlements and the democratic accountability of the devolved legislatures, and will therefore:

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/94 1711/The European Union Withdrawal Act and Common Frameworks.pdf

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/65 2285/Joint_Ministerial_Committee_communique.pdf

- be based on established conventions and practices, including that the competence of the devolved institutions will not normally be adjusted without their consent:
- maintain, as a minimum, equivalent flexibility for tailoring policies to the specific needs of each territory, as is afforded by current EU rules;
- lead to a significant increase in decision-making powers for the devolved administrations.
- 3. Frameworks will ensure recognition of the economic and social linkages between Northern Ireland and Ireland and that Northern Ireland will be the only part of the UK which shares a land frontier with the EU. They will also adhere to the Belfast Agreement.
- 1.5. The Northern Ireland Executive endorsed the JMC(EN) principles in June 2020. These principles continue to guide all discussions between the UK Government and the devolved administrations on Common Frameworks. Details of how these principles have been taken into account are included in this report, and will be included in future iterations of this publication.

Progress Towards Establishing Frameworks

1.6. The following section sets out the steps taken during this reporting period by the UK Government, in collaboration with the devolved administrations, towards implementing long-term Common Frameworks. It also outlines how the frameworks principles have been taken into account.

Frameworks Delivery

- 1.7. The work to establish Common Frameworks has five phases. The delivery plan below illustrates how a framework moves through these five phases of development. Each framework moves through this process at a different pace.
 - Phase 1: Principles and proof of concept: consists of engagement between UK Government and devolved administration officials (also referred to as multilateral deep dives) to focus on legislative and key non-legislative frameworks, as well as to establish some of the key interdependencies that affect multiple frameworks.
 - Phase 2: Policy development: Detailed policy development takes place, including joint work between UK Government and devolved administration officials to agree policy approaches and operational and governance arrangements for each policy area. Initial stakeholder engagement also takes place where appropriate. This results in jointly drafted and agreed outline frameworks.
 - Phase 3: Review and consultation: UK Government and devolved administrations collaborate to further develop and finalise policy approaches, explore interactions with cross-cutting workstreams, and agree operational and governance arrangements. Technical engagement takes place with

sector-specific stakeholders. Towards the end of Phase 3, in-depth review and assessment takes place, conducted jointly at official level. This phase results in cross-departmental collective agreement on the policy approach within the UK Government, and provisional confirmation of frameworks by members of JMC(EN). This in-depth review and joint confirmation ensures that a minimally operable framework, recognised as a 'provisional framework', is developed.

- Phase 4: Preparation and implementation: After JMC(EN) ministerial confirmation of a provisional framework, and pending further policy development and technical stakeholder engagement where required, provisional frameworks are shared with legislatures to enable parliamentary scrutiny. UK Government and devolved administration officials work jointly on any ongoing reappraisals of cross-cutting issues, and review parliamentary recommendations in order to finalise individual frameworks. At the end of this phase, the provisional framework receives ministerial approval from the intergovernmental forum responsible for the common frameworks programme and the successor to JMC(EN) (which is being agreed through the review of intergovernmental relations).
- Phase 5: Post-implementation: Post-implementation arrangements take place, including regular cycles of review and, if appropriate, amendment. These vary between frameworks and details continue to be developed as the Common Frameworks programme progresses.
- 1.8. Frameworks will be further developed during 2021 depending on the requirements of the particular policy area. This may require a combination of legislative and non-legislative measures. A detailed overview of which frameworks fall into legislative or non-legislative categories can be found in the Frameworks Analysis 2020 published on 24 September 2020.³ As outlined in section 1.30, a number of frameworks were reclassified in this reporting period. A further analysis will be published later in 2021. The delivery process detailed above accounts for the need for frameworks to be implemented in different ways, with some activities undertaken concurrently, to ensure that all of the necessary steps have been completed. As a result, frameworks will move forward and be finalised at different points in time, depending on their individual requirements.

Commitment to Transparency

- 1.9. The UK Government is fully committed to transparency in the UK Common Frameworks programme. The European Union (Withdrawal) Act and Common Frameworks report, detailing programme delivery and individual framework development, will continue to be laid quarterly, as per statutory requirements.
- 1.10. During this reporting period the UK Government set up a webpage on gov.uk⁴ to link all published frameworks and associated publications.

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/91 9729/Frameworks-Analysis-2020.pdf

⁴ https://www.gov.uk/government/collections/uk-common-frameworks

Delivery Plan

- 1.11. As in the previous reporting period, the COVID-19 outbreak continued to place capacity pressures on officials working across the UK Common Frameworks programme during this tenth reporting period, in both the UK Government and the devolved administrations. The UK Government and the devolved administrations remain committed to delivering UK Common Frameworks and the programme will continue to progress throughout 2021, undergoing scrutiny by Parliament and the devolved legislatures before frameworks are finally agreed.
- 1.12. During this reporting period, JMC(EN) agreed one further provisional framework, bringing the total of provisionally confirmed frameworks to three. A provisional framework is an outline framework which has undergone collaborative policy development, testing of policy conclusions, peer review and, where appropriate, external sector-specific engagement. During this reporting period, individual framework project timelines were reviewed to allow for the later development stages, including parliamentary scrutiny, to be conducted in 2021.

Framework Coordination

- 1.13. Common Frameworks are being developed through constructive discussions between the UK Government and devolved administrations. This has continued during the latest reporting period (26 September 2020 to 25 December 2020).
- 1.14. During this reporting period, there were three meetings of the UK Government-devolved administrations Frameworks Project Board, involving Cabinet Office senior officials and their counterparts in the devolved administrations. The Project Board monitors progress and facilitates agreement on the direction of the Common Frameworks programme.
- 1.15. At an operational level, there have been weekly Frameworks Project Team meetings between officials in the UK Government and the devolved administrations, where productive, collaborative work has been undertaken to support the detailed development of frameworks by policy officials.
- 1.16. Multiple meetings have taken place between officials in the Cabinet Office, other government departments and the devolved administrations. These include working group meetings on individual frameworks across the Common Frameworks programme.
- 1.17. During this reporting period, the Cabinet Office, as programme coordinator, has continued to engage with departments across the UK Government. This has been done via the fortnightly Frameworks Deputy Director Group on strategic policy development and planning, and the monthly Frameworks Wider Working Group to provide policy leads with updates, discuss barriers and drive progress.

Framework Development

Review and Assessment

- 1.18. The review and assessment process ensured that the UK Government and the devolved administrations worked closely on an equal basis to review the frameworks created by policy officials from all relevant administrations. The initial joint working of policy teams across the year was supported by the Frameworks Project Team issuing guidance to ensure that outline frameworks were produced to consistently high standards. This additional guidance allowed the work previously carried out by policy teams to be quickly developed in a significant period of cooperative working which took place from October to November 2020.
- 1.19. Within this reporting period, 27 outline frameworks were reviewed by the Frameworks Project Team. Each review involved a thorough appraisal of the outline framework, with evidence and comments being collected from governmental departments with an interest in the framework. The Project Team held a panel session with the policy team for each individual framework during which recommendations were made. Upon the implementation of these recommendations, the framework was agreed by the Project Team and recommended to the Frameworks Project Board for provisional confirmation. Following this, portfolio ministerial approval and JMC(EN) provisional confirmation was sought. Three frameworks undertook review and assessment in earlier reporting periods. All remaining active frameworks undertook review and assessment during this reporting period with the exception of Services Directive and Mutual Recognition of Professional Qualifications, which are still under development. Those frameworks which undertook review and assessment during this reporting period are listed below:
 - Company Law (BEIS)
 - Late Payment (commercial transactions) (BEIS)
 - Radioactive Substances (BEIS)
 - Specified quantities and packaged goods legislation (BEIS)
 - Public Procurement (Cabinet Office)
 - Air Quality (DEFRA)
 - Best Available Techniques (DEFRA)
 - Agricultural Support (DEFRA)
 - Agriculture Fertiliser Regulations (DEFRA)
 - Agriculture Organic Farming (DEFRA)
 - Agriculture Zootech (DEFRA)
 - Animal Health and Welfare (DEFRA)
 - Chemicals and Pesticides (DEFRA)
 - Fisheries Management and Support (DEFRA)
 - Food Compositional Standards and Labelling (DEFRA)
 - Ozone Depleting Substances and F-gases (DEFRA)
 - Plant Health (DEFRA)
 - Plant Varieties and Seeds (DEFRA)
 - Resources and Waste (DEFRA)

- Food and Feed Safety and Hygiene Law (FSA)
- Commercial Transport and Operator Licensing (DfT)
- Rail Technical Standards (Interoperability) (DfT)
- Driver Licensing (DfT)
- Motor Insurance (DfT)
- Blood Safety and Quality (DHSC)
- Organs, Tissues and Cells (apart from embryos and gametes) (DHSC)
- Public Health (serious cross-border threats to health) (notification system for pandemic flu, Zika etc) (DHSC)

Departmental Progress

- 1.20. Department for Environment, Food and Rural Affairs (DEFRA): All 14 active frameworks owned by DEFRA (Chemical & Pesticides; Resources & Waste; Best Available Techniques; Air Quality; Ozone Depleting Substances and F-gases; Food Compositional Standards and Labelling; Agricultural Support; Animal Health & Welfare; Fisheries Management and Support; Plant Health; Plant Varieties and Seeds; Agriculture Fertiliser Regulations; Agriculture Organic Farming; and Agriculture Zootech) made significant progress during the reporting period. These frameworks passed through review and assessment panels in November and December.
- 1.21. Food Standards Agency (FSA): The Food and Feed Safety and Hygiene framework successfully completed review and assessment and received provisional confirmation from Joint Ministerial Committee (EN) ministers across the UK during this reporting period. Following this confirmation, the framework was sent for scrutiny by committees in legislatures across the UK.
- 1.22. Department for Transport (DfT): DfT's frameworks continued to progress well through the programme during this reporting period, with all active frameworks successfully completing review and assessment in October and initiating the process for commencing parliamentary scrutiny. The Commercial Transport and Operator Licensing frameworks, which overlapped considerably, were merged by DfT and Northern Ireland Department for Infrastructure policy teams (with the agreement of portfolio ministers) towards the end of the reporting period, meaning there are now four active DfT-related frameworks.
- 1.23. Department for Health and Social Care (DHSC): DHSC's Nutrition Labelling, Composition and Standards framework was provisionally confirmed in the previous reporting period. DHSC's three remaining active frameworks (Blood Safety and Quality; Organs, Tissues and Cells; and Public Health) underwent significant development during this reporting period. Engagement took place with key stakeholders from across the UK, and all three frameworks were scrutinised by a joint UK Government and devolved administrations review and assessment panel in November.

- 1.24. Cabinet Office (CO): The Public Procurement framework underwent significant development in this reporting period. Policy development was advanced and engagement took place with stakeholders from across the UK from late October to mid November. In November, the framework also underwent review and assessment and in December early parliamentary engagement began, with the framework summary being shared with committees across the UK Parliament and devolved legislatures.
- 1.25. Department for Business, Energy and Industrial Strategy (BEIS): The Emissions Trading System (ETS) framework continued development during this period, including a number of successful joint UK Government and devolved administration workshops to progress the framework's operational and governance arrangements. The ETS framework had already successfully completed its Phase 3 review and assessment in a previous reporting period. The remaining BEIS frameworks made timely progress through Phase 3 - with the exception of Mutual Recognition of Professional Qualifications (MRPQ) and Services, those frameworks that had not already passed through their Review & Assessment panels did so. The MRPQ framework and the Services framework made good progress during this period, with focused work between BEIS and its devolved administration counterparts being undertaken to develop the frameworks. Agreement was reached between the UK Government and the devolved administrations that both MRPQ and Services should be developed over extended timelines to allow for more work to be done. All administrations remain committed to working to develop and agree these frameworks.
- 1.26. **Ministry for Housing, Communities and Local Government (MHCLG):** Following the Hazardous Substances (Planning) framework's provisional JMC(EN) confirmation on 3 September 2020, the framework was submitted to all legislatures for scrutiny. The House of Lords Common Frameworks Scrutiny Committee and the House of Commons Housing, Communities and Local Government Select Committee issued recommendations on 10 and 17 December 2020 respectively.

Programme Development

Provisional Confirmation and Phase 4 Development

- 1.27. By the end of this reporting period, provisional confirmation by the Welsh Government, Scottish Government and UK Government had been achieved for 18 active frameworks, meaning that these frameworks became operational on an interim basis across the UK at official level reflecting established ways of working between the administrations, pending clearance from the Northern Ireland Executive. These frameworks have undergone collaborative policy development, testing of policy conclusions, peer review and, where appropriate, external sector-specific engagement.
- 1.28. For all frameworks, full implementation requires conclusion of:

- a) Any remaining framework-specific policy development, including the resolution of cross-cutting issues;
- b) Any further technical stakeholder engagement required; and
- c) Parliamentary scrutiny by the legislatures of each nation with an interest in the framework.

Once the above steps are complete, a final official level review at the end of phase 4 will precede final ministerial confirmation by each administration as full frameworks.

1.29. Whilst the steps towards final agreement are the same across the programme as a whole, each framework will follow an individual timeline depending on the level of further policy development required and the timing of scrutiny by different committees across UK Parliament, Scottish Parliament, Welsh Parliament (Senedd Cymru) and the Northern Ireland Assembly.

Reclassification of frameworks

- 1.30. Since the Frameworks Analysis was published in September 2020, two non-legislative DfT frameworks Commercial Transport and Operator Licensing have been combined and re-named to Commercial Transport and Operator Licensing, by agreement between the UK Government and Northern Ireland Executive. This policy area is only within Northern Ireland and UK Government competence. The frameworks were merged as there are strong commonalities between retained EU legislation in both areas, the decision making and dispute resolution forums of the two frameworks are aligned, and the membership of the relevant governance groups for the two frameworks are the same.
- 1.31. During this reporting period, the UK Government and devolved administrations agreed that no new framework would be required for the following six policy areas: Recognition of Insolvency Proceedings in EU Member States; Agriculture GMO Marketing and Cultivation; Reciprocal and Cross-Border Healthcare; Strategic Environmental Assessment; Intelligent Transport Systems; and Statistics. Reclassification of the Equal Treatment Legislation frameworks to No Further Action is under discussion; if approved, this change would mean that the programme now comprises a total of 32 active frameworks.
- 1.32. Once policy teams had identified that a framework was no longer required in their area, or that a legislative framework should be reclassified as non-legislative, they were asked to answer a set of 'reclassification review' questions, to test this assumption against the principles for Common Frameworks agreed at JMC(EN) and against any previous statements or communications made by policy teams.
- 1.33. Policy teams' returns to the questionnaire were reviewed, challenged and/or agreed at official level by the frameworks Project Team and Project Board. UK Government and devolved administrations' portfolio ministers' agreement was sought for these changes. These changes will be reflected in the next edition of the Frameworks Analysis publication.

1.34. Following these reclassifications, the table below presents an update of the current number of policy areas which intersect with devolved competence. Equal treatment legislation is included in two separate categories, as in Northern Ireland it is devolved to an extent that a (non legislative) framework was viewed as potentially necessary, which was not the case for Wales and Scotland as they have competence in the area of equal treatment legislation in only a fairly circumscribed area and as a result no further action was required in respect of an equal treatment legislation framework for Scotland and Wales. The update in the table reflects an ongoing dialogue, not a final position. Its conclusions are provisional and discussions between the UK Government and devolved administrations continue.

	Number of policy areas	Northern Ireland intersect	Scotland intersect	Wales intersect
Category 1: No further action	121	117	79	40
Category 2: Non-legislative frameworks	17	17	10	10
Category 3: Legislative frameworks	16*	16	16	16
Total	153 (not 154 as one framework appears twice in the tables)	150	105	66

^{*} For a number of EFRA-related frameworks, the position is not yet clear on whether they will require, or will be impacted by, primary legislation. It is currently anticipated that most of these frameworks will not require new primary legislation (and can rely on secondary legislation instead), but until the outstanding issues are resolved they continue to be listed in the legislative category.

Stakeholder Engagement

1.35. As part of the wider commitment to transparency within the Common Frameworks programme, the UK Government and devolved administrations work collaboratively to conduct a programme of engagement with industry stakeholders and legislatures at various points in the development of each framework. As part of this process, sector-specific engagement with industry experts takes place, conducted jointly across all administrations where possible. This updates stakeholders on the development of specific frameworks and affords them an opportunity to input their views and expertise.

- 1.36. The COVID-19 outbreak continued to impact engagement work during this reporting period. Despite this disruption, a programme of engagement with key stakeholders on individual frameworks continued. This included a combination of online video sessions and correspondence which provided direct input into framework policy development. To ensure the timely progression of the programme, the timing, location and format of engagements continue to be arranged to suit the stakeholders for each individual framework.
- 1.37. By the end of this reporting period, the majority of frameworks' policy teams had undertaken technical stakeholder engagement. For example, the policy teams for the Food and Feed Safety and Hygiene Law framework, Plant Health framework, and Agricultural Support framework conducted stakeholder engagement sessions via video conference. In addition, policy teams for frameworks that conducted technical stakeholder engagement via written correspondence included, but were not limited to, Public Procurement, Specified Quantities and Packaged Goods, and Blood Safety and Quality.
- 1.38. Work was also undertaken to plan and prepare for further technical stakeholder engagement to take place, where appropriate, in 2021. All engagement events were conducted in line with COVID-19 guidance.

Parliamentary Engagement

- 1.39. During this tenth reporting period, three provisional frameworks were published⁵ and shared with the relevant committees across the UK Parliament and devolved legislatures. These were for Nutrition Labelling, Composition and Standards, Hazardous Substances (Planning), and Food and Feed Safety and Hygiene Law.
- 1.40. UK Government officials have worked closely with parliamentary officials to prepare for formal scrutiny of UK Common Frameworks. In anticipation of receipt of provisional frameworks for scrutiny, UK Parliament committees have been sent framework summaries relating to the Public Procurement, Public Health, Blood Safety and Quality, Organs, Tissues and Cells and Emissions Trading Scheme frameworks, and all Department for Transport frameworks.
- 1.41. The UK Government has engaged closely with the House of Lords Common Frameworks Scrutiny Committee chaired by Baroness Andrews. On 6 November, Lord True, Minister of State at the Cabinet Office, met with the committee, and later on 1 December, the Minister for the Constitution and Devolution provided an update on the programme. UK Government Ministers have responded to the 11 letters⁶ from the Committee relating to UK Common Frameworks during the reporting period. The devolved administrations also continue to engage with the devolved legislatures.
- 1.42. The UK Government continues to engage with the House of Commons and provide responses to calls for evidence on frameworks. As parliamentary scrutiny of

⁵ Accessible from https://www.gov.uk/government/collections/uk-common-frameworks

 $^{^{6}\ \}underline{\text{https://committees.parliament.uk/committee/474/common-frameworks-scrutiny-committee/publications/3/correspondence/$

frameworks commenced during this reporting period, the Minister for Constitution and Devolution corresponded with committee chairs of the 11 Commons committees with a direct interest in UK Common Frameworks.

Northern Ireland and the Ireland/Northern Ireland Protocol

- 1.43. The principles for Common Frameworks agreed at JMC(EN) on 16 October 2017 state that "frameworks will ensure recognition of the economic and social linkages between Northern Ireland and Ireland and that Northern Ireland will be the only part of the UK that shares a land frontier with the EU. They will also adhere to the Belfast Agreement".
- 1.44. The Protocol on Ireland/Northern Ireland to the Withdrawal Agreement, including the Unilateral Declaration on Consent made by the UK Government, avoids a hard border on the island of Ireland, whilst ensuring that the UK, including Northern Ireland, could leave the EU as a whole. As long as the Protocol is in force, special provisions apply in Northern Ireland. These include (but are not exhausted by) Northern Ireland remaining within the UK's customs territory but aligning with the EU on goods (including certain laws for VAT on goods), and EU tariffs applying in Northern Ireland except for movements within the single customs territory of the UK. A number of pieces of EU legislation will continue to apply directly in Northern Ireland by virtue of the Protocol, in certain policy areas. These are set out in the Annexes to the Protocol.
- 1.45. In December 2020 the UK Government and the European Commission reached an agreement in principle regarding the implementation of the Protocol. The operation of Common Frameworks will not have any adverse consequences for the implementation of the Protocol, and Common Frameworks contain the governance structures needed to manage any divergence arising from the Protocol.

Trade and Cooperation Agreement

- 1.46. In December 2020, the UK Government and the European Union agreed a Trade and Cooperation Agreement (TCA). This changes the basis of the UK's relationship with the EU and many of the provisions of this agreement overlap with areas where Common Frameworks are being developed.
- 1.47. The decisions made under a Common Framework will need to respect the TCA provisions, just as they would with any of the UK's other international obligations. It is expected that parties to frameworks will take account of these provisions when agreeing approaches through a Common Framework.

UK Internal Market

1.48. The Government introduced the UK Internal Market Bill to Parliament during the previous reporting period, as covered in the ninth EU (Withdrawal) Act and Common Frameworks report. During this tenth reporting period, the UK Internal Market (UKIM)

- Act completed its passage through Parliament and was granted Royal Assent on 17 December 2020. While there remain differences of view between the UK Government and the devolved administrations on the Act, there is a shared recognition that there will be an interaction with Common Frameworks.
- 1.49. The UKIM Act establishes the UK's internal market regime by placing in legislation the market access principles of mutual recognition and non-discrimination. A new Office for the Internal Market (OIM) was also established through the Act to monitor and analyse the health of the UK's internal market.
- 1.50. The relationship between the Act and Common Frameworks was a matter of significant debate during its passage through Parliament. In response to this the UK Government successfully introduced two key amendments related to Common Frameworks.
- 1.51. Firstly, the Act makes clear that the UK Government may use delegated powers under Sections 10 and 18 of the Act to exclude divergence agreed through the Common Frameworks process from the operation of the market access principles. This would be in addition to existing exclusions in the Schedules to the Act.
- 1.52. In addition, under Section 33 of the Act, the OIM will report every five years on the intersect between the market access principles and agreements made under Common Frameworks, including the effect that those agreements have had upon the operation of the internal market.

Legislation Relating to Retained EU Law Restrictions

- 1.53. Section 12 of the European Union (Withdrawal) Act 2018 removed the requirements in each of the devolution statutes that the devolved legislatures could only legislate in ways that were compatible with EU law. The Act then replaced those requirements with powers for the UK Government to apply, by regulations, a temporary 'freeze' on devolved competence in specified areas, subject to the approval of the UK Parliament, via the draft affirmative scrutiny procedure. These provisions came fully into force at the end of the Transition Period.
- 1.54. The process for making, agreeing and revoking these regulations can be found in the first European Union (Withdrawal) Act and Common Frameworks report.

Regulations to 'Freeze' Devolved Competence

Retained EU law restrictions applied during reporting period

1.55. No regulations have been made to apply retained EU law restrictions under these powers during the reporting period.

Progress towards removal of retained EU law restrictions

1.56. No retained EU law restrictions made under the powers in sections 30A and 57(4) of the Scotland Act 1998, sections 80(8) and 109A of the Government of Wales Act 2006, or sections 6A and 24(3) of the Northern Ireland Act 1998 had effect at the end the reporting period.

Regulations to Repeal the 'Freezing' Powers

1.57. In addition to the 'freezing' powers inserted into the devolution statutes by the European Union (Withdrawal) Act, section 12(9) confers a power on UK Ministers to repeal, by regulations, the new provisions containing those powers.

Powers to apply retained EU law restrictions repealed during reporting period

1.58. No regulations have been made under section 12(9) of the European Union (Withdrawal) Act to repeal the powers to apply retained EU law restrictions during the reporting period.

Progress required in order to repeal the powers to apply retained EU law restrictions

- 1.59. The UK Government has not sought to make use of the powers to apply retained EU law restrictions at this juncture. As outlined earlier in this report, significant progress is being made across policy areas to establish Common Frameworks in collaboration with the devolved administrations.
- 1.60. The 'freezing' powers provide a mechanism to give certainty across those areas where common rules do need to be maintained, by ensuring that there will not be substantive policy change in different parts of the UK until those future arrangements are in place. In order to remove those powers from the statute book, further progress towards the implementation of Common Frameworks would be needed. The UK Government will keep this position under review, in line with the statutory duty in section 12(10) of the European Union (Withdrawal) Act.