Twitter Thread by Jess Sargeant



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Yesterday saw the Government reach a compromise with Peers over the devolution aspects of the UK Internal Market Bill. The Lords were standing strong over an amendment on Common Frameworks - so what has been agreed & where do we go now? ■

First a quick recap: the bill enshrines 2 Market Access Principles in law 1) Mutual recognition, anything acceptable for sale in one part of the UK is acceptable in another 2) Non-discrimination, no discrimination against goods from another part of the UK
https://t.co/kYCBzZt7IB

The purpose of these is to prevent trade barriers, caused by divergence, between parts of the UK. But the 4 governments were already working on 'common frameworks' to manage divergence *by agreement*. The Scottish & Welsh govs argued these were sufficient https://t.co/mEF2bqSlYp

Lord Hope's amendment aimed to exclude areas were divergence has been deemed acceptable through common frameworks from the Market Access Principles. The gov amendment makes it clear existing powers for UK ministers in the bill can be used to do that.

So this is good news on the devolution front. But it doesn't solve everything - common frameworks only cover policy areas returned from the EU & the devolved governments also have concerns about other parts of the bill. So what are the key questions now?

1) Will this be enough to bring the devolved administrations round?
Both the Scottish and Welsh Parliaments have refused consent for the bill under the Sewel Convention. The SP is very unlikely to change it's mind, the Welsh? It's not looking promising ■
https://t.co/21fAxMIJjQ

> Hugely grateful to peers for their defence of devolution and acknowledge that UKG has moved a little.
> But the Bill still allows UK Ministers to undermine right of @SeneddWales to make laws and policies which reflect the priorities of the people they serve.https://t.co/bpN3C1io8Q
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> — Jeremy Miles (@wg_CounselGen) December 15, 2020

2) How will UKIM & common frameworks work together?
Theses are 2 separate programme of work, the first run by BEIS, the second in policy departments with oversight from the Cabinet Office - but they are now linked in law. Serious thought must be given to make them coherent

The new amendment gives the new body established to monitor the internal market - Office for the Internal Market - a role on reporting on the interaction between the two. But it's expertise will be primarily economic, should this be balanced with some policy perspectives?

3) How will disputes be resolved?
Intergovernmental disputes over the application of the UKIM bill are inevitable. Common frameworks have their own dispute resolution procedures, BEIS has structures & we're waiting on the outcome of the IGR review. Any processes must be fair

4) How will the principles be enforced?
What role will regulators or bodies with market enforcement functions play? How will they determine which rules to apply or not apply? What role will the courts play? Who can challenge regulations on this basis.

Despite strong resistance from both the devolved administrations and the House of Lords, passing the UK Internal Market Bill will be the easy part. Making it work in the long term - especially without the buy in from the Scottish and Welsh Governments - will be the real challenge