Dear Neil,

I wrote to you on 19 July 2018 to inform you that the United Kingdom’s schedule of goods pursuant to the General Agreement on Tariffs and Trade (GATT) had been formally sent to the World Trade Organization (WTO) Secretariat, for circulation by them to all WTO members. This happened on 24 July, which started a formal three-month certification period for our GATT schedule. I am now writing to say that as of 24 October, this certification period has closed, and to inform you of the United Kingdom’s next steps.

The purpose of the certification period is to allow all WTO members to examine our schedule and determine whether they wish to object. In my July letter, I said that WTO members frequently do object. Indeed, our GATT schedule has, as expected, received a number of objections. Due to the timings of this letter and the nature of members filing their objections at the end of the process, I am unable to state the precise number in this letter but have asked my officials to follow up with your office to give you the details when they become apparent.

The next step is for my officials, alongside the Department of International Trade, to analyse these objections and determine what actions to take. One action, the Secretary of State for International Trade will be taking today though, is to announce that the UK will launch negotiations under GATT Article XXVIII. The timing of the formal launch and the terms of any negotiations are yet to be determined. However, we believe it is important to provide a measure of certainty to the WTO members we have been engaging with on this since 2017, in order to maintain the good will we have.

As I explained in July, that Members have objected to our GATT schedule means certifying it may take time. Crucially though, this will not negatively impact trade. Our GATT schedule will form the basis of our trade policy while we complete the certification process. We expect that our GATT schedule will come into force, certified or uncertified, once the EU’s schedule of goods ceases to apply to the UK. It is not unusual for countries to trade on the basis of an uncertified schedule.

I will keep you updated as this work progresses.

GEORGE EUSTICE MP