Meg Hillier MP  
Chair of the Public Accounts Committee  
House of Commons  
London  
SW1A 0AA

By email  

31 October 2018

From Clare Moriarty  
Permanent Secretary

Dear Meg

I promised to write to follow up on some points raised when my colleagues and I appeared before the Committee on Monday 15 October.

Non-disclosure agreements (NDAs)

During the session you asked about the use of non-disclosure agreements (NDAs) by Defra. As I explained, these have been used in some very limited circumstances to enable frank discussions that will support us in our policy development and exit preparations, while maintaining confidentiality around our planning assumptions, risks and capacity for manoeuvre, where the release of this information may be sensitive in relation to our ongoing negotiations with the EU.

The majority of NDAs entered in to by Defra have been in relation to border preparations. Where others have been signed, this has been for the purpose of ensuring the accuracy of a Statutory Instrument or to protect the commercial interests of the other party.

As we accelerate the pace of our engagement with businesses and the public and provide clarity on the actions they need to take to prepare for exit, we anticipate that the need for non-disclosure agreements will diminish.

Chemicals industry

You asked about the implications of EU exit for the chemicals industry and specifically about the tariffs that may apply to exports in the event of exit without a deal in March 2019.

UK exports to the EU would be subject to customs duty at the rate under the EU’s Common Commercial Tariff, which can be found on the Commission’s website. For UK imports from the EU, the government will publish the tariff rates that will apply well in advance of exit day.
In both cases, the maximum rate will be limited by the bound rates under the WTO agreements, which both the EU and the UK have committed not to exceed. The bound tariff for chemicals averages 6.5% of the value of the export.

**Fisheries**

On fisheries you asked for a note about the implications of the differences in dates between the UK leaving the EU on 29 March 2019 and leaving the London Fisheries Convention (LFC) on 3 July 2019. The LFC, signed in 1964 before the UK joined the EU, recognises the historic rights of vessels from five European countries (France, Ireland, Belgium, Germany, and the Netherlands) to fish for certain stocks in the zone between six and twelve nautical miles (nm) of the UK’s coastline. The Convention also gives UK vessels some access rights to other Member States’ waters. Separately, the EU Common Fisheries Policy allows all European vessels access between 12 and 200 nm of the UK's coastline.

From 29 March 2019, any rights to fish in the 12-200 nm zone will be a matter for negotiation. However, Member States under the LFC (France, Ireland, Belgium, Germany and the Netherlands) will continue to have fishing rights for specific stocks in specific areas of the UK 6-12 nm zone between 29 March 2019 and 2 July 2019. Any rights to fish in this zone after this period will be a matter for negotiation.

Defra is working closely with the Marine Management Organisation, the Royal Navy, Border Force, and other organisations to make sure the appropriate arrangements to enforce fisheries regulations are in place to protect our waters from March 2019.

**Statutory Instruments (SIs).**

Finally, we discussed the challenges of delivering our exit Statutory Instruments (SIs) and you asked how many people we have working on SIs. Approximately 150 people are involved in the production, checking and management of our 86 EU Exit SIs. This breaks down as around 20 in the central legislation team, 65 policy leads, 25 senior policy owners, 40 drafting and senior lawyers. Each SI also requires varied input from multiple other support services and individuals which are not included in the above.

Thank you for your good wishes at the end of the session. I look forward to continuing to discuss the Defra group’s work with you and the Committee as we prepare for our exit from the EU.

Yours sincerely,

Clare Moriarty

CLARE MORIARTY