UK and Canada sign trade agreement

Press release

The signing comes after both countries last month announced an 'agreement in principle' to roll over current trading arrangements



- The UK and Canada have today signed a trade agreement in Canada.
- Today's agreement secures transatlantic trade with a trading partnership worth £20 billion last year.
- Both countries to negotiate a new, tailor-made UK-Canada trade deal in 2021.

The UK's Deputy High Commissioner for Canada David Reed, and Canadian Deputy Minister of International Trade John Hannaford have today (Wednesday 9 December) signed the UK-Canada Trade Continuity Agreement in Ottawa.

The signing comes after both countries last month announced an <u>'agreement in principle'</u> to roll over current trading arrangements and begin negotiations on a new, bespoke UK-Canada trade deal in 2021.

Today's agreement gives certainty for UK businesses exporting goods and services to Canada worth £11.4 billion. The trade deal supports British industries including automotive manufacturing and food and drink, which between them provide jobs for more than half a million people across the UK.

Overall, an estimated £42 million tariff burden on UK exports has been saved. The benefits locked in under the agreement signed today include:

- Future zero tariffs on UK car exports to Canada, which were worth £757 million last year, supporting factories and jobs in our communities. Without this agreement, Canada's standard tariffs on cars of 6.1% would apply.
- Tariff-free trade on 98% of goods that can be exported to Canada including beef, fish and seafood and soft drinks.
- UK producers will continue to benefit from zero tariffs on many agricultural and seafood exports including chocolate, confectionary, fruit and vegetables, bread, pastries and fish. Last year the UK exported £344m worth of agri-food goods to Canada.

• Without the continuity agreement, Canadian food products such as maple syrup, biscuits and salmon could have been more expensive for British consumers as they would face taxes of up to 8% when entering the UK under the UK Global Tariff.

International Trade Secretary Liz Truss said:

This is a brilliant deal for Global Britain. It secures £20bn worth of trade with a friend and ally that shares our commitment to free enterprise, democracy and free trade. It provides certainty for car and food and drink exporters in particular, and paves the way for a more advanced deal that goes further and faster in modern areas like digital and data, women's economic empowerment and the environment.

The deal also takes us a step closer to joining the Trans-Pacific Partnership, a high standards agreement of 11 dynamic Pacific nations. Membership would deepen market access for our businesses, help turn us into a global hub for tech and services trade, and strengthen the global consensus for rules-based free trade.

All nations and regions will benefit from preferential access to Canadian markets. For example, together the West Midlands and North West regions exported over £1.2 billion worth of goods to Canada last year, while Scotland and Northern Ireland collectively exported £1 billion.

In under two years, the UK government has agreed trade deals with 55 countries accounting for £170 billion of UK bilateral trade.

Notes to Editors:

- The Agreement text will be laid in the libraries of both Houses alongside an accompanying Explanatory Memorandum and a Parliamentary Report. They will also be published on the gov.uk website.
- Total trade between the UK and Canada was worth £19.9 billion in the four quarters to end of Q1 2020
- The UK will continue to be covered by the EU-Canada FTA during the transition period. This agreement will come into effect on 1 January 2021.
- Source of statistics on trade with Canada: ONS UK Economic Accounts, Q2 2020 release.
- Source of regional trade statistics: HMRC Regional Trade in Goods, Q2 2020 release.

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<u>Working to tackle the effects climate</u> <u>change in Least Developed Countries</u>

Thank you Prime Minister Tshering, and indeed the whole LDC Group for inviting me to join you at this event.

And for the work that you do to tackle the climate crisis.

Thank you also for Bhutan's historic pledge to remain carbon neutral.

And indeed for the NDCs announced today.

I'm very pleased to say that the UK announced its NDC last week and as you will know, we have committed to cut the UK's emissions by at least 68 per cent by 2030 on a 1990 baseline. This keeps us on a pathway to a 2050 Net Zero target.

When I spoke to you in September, I emphasised the need for all of us to work together. And I believe that this event and the Climate Ambition Summit the UK is co-hosting on the 12th December, will very much help to boost ambition around the world.

The ambition you have shown today will encourage others to announce strong commitments at our Summit on Saturday.

Commitments on emissions, on adaptation and on finance.

And as I said to you in September, I am totally committed to the \$100billion goal.

To making finance much more accessible.

And to championing locally-led adaptation.

At the Climate Ambition Summit on Saturday and at events throughout the coming year, I will be highlighting that adaptation is very much a shared priority.

And I will be calling on donor countries to honour their climate finance commitments.

As you know, the UK has committed to doubling its International Climate Finance to £11.6 billion over the next five years.

And I am pleased to say that there has been progress globally. There's been a 10% increase between 2017 and 2018.

But we know there is more to do.

To make the \$100 billion a reality.

To make finance more accessible.

And to get it to address the right challenges, particularly adaptation.

So the UK continues to support programmes like LIFE-AR. Which, led by you, the LDC countries, gets funds to a local level.

In September, I also committed to making sure that your views are heard.

Since then, we have convened the COP26 NGO Group of Friends on Adaptation and Loss & Damage.

And we hear your call to the world to increase its focus on averting, minimising and addressing loss and damage. In the new year, we will be holding further events to discuss the issues that matter to vulnerable countries.

And, over the next year, I want to engage with all of you to discuss your priorities for COP26.

And to continue to work together.

So that we can release the full potential of the Paris Agreement in Glasgow. Thank you.

Newcastle rapist jailed for longer

Press release

Connor Barrass has had his jail sentence increased following an intervention by the Solicitor General, Rt Hon Michael Ellis QC MP.



A Newcastle man has had his jail sentence increased following an intervention by the Solicitor General, Rt Hon Michael Ellis QC MP.

Connor Barrass, 23, was found guilty of rape, attempted rape, sexual assault and causing grievous bodily harm to his 40-year old victim. Prior to this case the offender had 21 previous convictions, a number of which involved violent offending against women.

On 10 August 2020, Barrass was sentenced to 12 years' imprisonment at Newcastle Crown Court. The court also imposed a restraining order and he was made subject to the sex offenders notification requirements.

Following the court's decision, the Solicitor General referred the sentence to the Court of Appeal under the Unduly Lenient Sentence (ULS) scheme. On 9 December the Court found Barrass to be a Dangerous Offender and ruled that the sentence was unduly lenient. The Court increased the original sentence to 15 years' imprisonment followed by 5 years on licence.

After the hearing at the Court of Appeal the Solicitor General, Rt Hon Michael Ellis QC MP, said:

Barrass' actions were shocking and despicable. The Court of Appeal's decision to increase his sentence recognises his victim's distressing and harmful ordeal.

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Community groups tackling loneliness to benefit from £4m fund

Book clubs, walking groups and other community projects will be able to apply for a £4 million fund designed to help reduce loneliness in the coming months.

The Local Connections Fund — made up of £2 million from the Government and £2 million from The National Lottery Community Fund — will be used for hundreds of small grants worth between £300 and £2,500.

These investments are designed to help local organisations bring people and communities together as the country recovers from the coronavirus pandemic.

Minister for Civil Society, Baroness Barran, said:

A great way to reduce loneliness is to do something you already enjoy with like-minded people, whether that's walking, volunteering or joining a book club. During the pandemic I've been so impressed

with the way community groups have adapted their work to bring people together in new and innovative ways.

By investing directly in local charities and organisations, the £4 million Local Connections Fund will get support to where it's needed quickly and help bring people together through shared interests, so that no one needs to feel isolated in the months ahead.

Elly De Decker, Director of England Funding at The National Lottery Community Fund, said:

Throughout the pandemic, we've seen charities and community groups be a powerful force for good, tackling loneliness.

Small organisations are making a big difference, often on only small sums of money — supporting individuals to connect, reducing feelings of isolation, and helping communities thrive.

Su Moore, Stronger Communities Director at the Jo Cox Foundation, said:

The power of connection is a thread that runs through the work of the Jo Cox Foundation. Throughout 2020, we've seen our Great Get Together and More in Common community organisers mobilise to support their neighbours, to tackle loneliness.

Local people understand the issues in their communities, and by supporting them, we can make a real difference.

This announcement builds on previous work by the Government to reduce loneliness during the pandemic. Over £24 million of the £750 million charity funding package has gone directly towards reducing loneliness, and a further £45 million to organisations supporting people with their mental health.

And in June we relaunched our long-running campaign, Let's Talk Loneliness, to remind people that there's no shame in asking for help. The <u>website</u> has lots of useful advice on how to help yourself and others safely.

Throughout December, the <u>Let's Talk Loneliness advent calendar</u> is sharing practical advice, inspiring stories, and support routes to encourage people to take the first steps to alleviate loneliness in themselves and others.

The Local Connections Fund will be split into two rounds of funding — each with its own application window, one in January 2021 and one in the summer 2021.

Funding will be available to small charities and community groups in England with an annual income of £50,000 or less, which are working to reduce loneliness by helping people feel more connected.

The Department for Digital, Culture, Media and Sport will provide the first round of funding, totalling £2 million, and this will open for applications on 5 January 2021.

Organisations should apply via <u>The National Lottery Community Fund</u>, the largest funder of community activity in the UK. Grants from this round will be distributed and spent by the end of the financial year.

Notes to Editors:

Three tangible actions for anyone feeling lonely and three actions for people wanting to help

If you are lonely you can:

- Keep in touch with friends, family and neighbours
- Ask for help if you are feeling lonely by getting in touch with organisations that offer support — there's a list on the Let's Talk Loneliness website.
- Set a routine with online activities, regular tasks or by volunteering

If you are worried about someone who is lonely:

- Phone a friend or send a letter to a family member you think may be lonely
- Smile, wave or chat from a safe distance with a neighbour
- Help out through volunteering with local groups or by offering regular conversation to someone living alone

Over the last two years, the UK Government has been leading the way on tackling loneliness:

- It created the world's first Minister for Loneliness and published the world's first Government loneliness strategy in October 2018, containing 60 commitments from nine Government departments. Implementation of the strategy is ongoing and the Government published a first annual report in January 2020 setting out our progress;
- It launched the first Government fund dedicated to reducing loneliness worth £11.5 million, which is supporting 126 projects to transform the lives of thousands of lonely people across England;
- It launched the inaugural #LetsTalkLoneliness campaign in June 2019 to help raise awareness and tackle stigma.

We are the largest community funder in the UK — we're proud to award money raised by National Lottery players to communities across England, Scotland, Wales and Northern Ireland. Since June 2004, we have made over 200,000 grants and awarded over £9 billion to projects that have benefited millions of people.

We are passionate about funding great ideas that matter to communities and make a difference to people's lives. At the heart of everything we do is the

belief that when people are in the lead, communities thrive. Thanks to the support of National Lottery players, our funding is open to everyone. We're privileged to be able to work with the smallest of local groups right up to UK-wide charities, enabling people and communities to bring their ambitions to life.

Withdrawal Agreement Update

With your permission, Mr Speaker, I would like to update the House, and the people of Northern Ireland, on the implementation of the Northern Ireland Protocol as part of the Withdrawal Agreement with the European Union.

Throughout 2020 we have worked intensively to ensure that the Withdrawal Agreement, in particular the Northern Ireland Protocol, will be fully operational on 1 January 2021.

Our aims, and the proportionate and pragmatic way we intended to pursue them, were set out in the Command Paper we published in May, 'The UK's approach to the Northern Ireland Protocol'.

This set three key commitments that we believe needed to be respected in all scenarios:

We had to ensure that Northern Ireland businesses retained unfettered access to the rest of the UK market.

Northern Ireland's place in the UK's customs territory had to be protected — and that meant that goods that stayed in the UK were not subject to tariffs.

And we had to ensure that the important GB-NI trade flows, on which lives and livelihoods depend, were not disrupted; and we need to ensure a smooth flow of trade, with no need for new physical customs infrastructure.

And Mr Speaker, I am pleased to say that on Monday the European Commission Vice President Maroš Šefčovič and I-as co-chairs of the Joint Committee set up to negotiate the implementation of the protocol — came to an agreement in principle on a deal which meets all of those commitments, and puts the people of Northern Ireland first.

I would like to begin by paying tribute to Maroš and his team for their pragmatism, their collaborative spirit — and their determination to get a deal done that would work for both sides. And I'd also like to thank the first minister, the deputy first minister and all the members of the Northern Ireland executive for their crucial intervention at significant moments in order to ensure that the rights of the people of Northern Ireland were protected.

Turning now to that first Government commitment, the deal protects unfettered access for Northern Ireland businesses to their most important market.

As the Prime Minister underlined, this had to be protected in full — and that meant removing any prospect of export declarations for Northern Ireland goods moving from Northern Ireland to Great Britain.

And that's what our agreement will do. There will be no additional requirements will be placed on Northern Ireland businesses for these movements, with the very limited and specific exception of trade in endangered species and conflict diamonds.

On the second commitment, Mr Speaker, the deal safeguards Northern Ireland's place in the UK's customs territory.

As recently as July, the Commission had envisaged a default tariffs scenario in which, and I quote:

all goods brought into Northern Ireland [would be] considered to be at risk ...and are as such subject to the Common Customs Tariff."

If that had been implemented that would have raised the prospect of a 58% tariff on a pint of milk going from Scotland to a supermarket in Strabane or 96% on a bag of sugar going from Liverpool to the shops of Belfast.

As we've repeatedly made clear, this could never have been an acceptable outcome.

So instead, I am pleased to say that under the agreement that we've reached, Northern Ireland businesses selling to consumers or using goods in Northern Ireland will be free of all tariffs.

Whether that is Nissan's cars from Sunderland; or lamb from Montgomeryshire.

Internal UK trade will be protected as we promised — whether we have a Free Trade Agreement with the EU or not.

And third, Mr Speaker, this deal would keep goods flowing between Great Britain and Northern Ireland in January, and indeed provide some necessary additional flexibilities.

It protects Northern Ireland supermarket supplies. We heard throughout the year that traders needed time to adapt their systems.

That is why we have a grace period for supermarkets to update their procedures.

And our agreement also prevents any disruption at the end of the transition period on the movements of chilled meats. British sausages will continue to make their way to Belfast and Ballymena in the new year. And we have also got time for reciprocal agreements between the UK and EU on agri food to be discussed in the months ahead.

This deal also protects the flow of medicines and vet medicines into Northern Ireland. This means we'll grant industry a period of up to 12 months to adapt to the rules under the protocol — so this will avoid any disruption to critical medical supplies.

So three commitments entered into, three commitments that we have upheld.

But this agreement in principle also goes further still, providing additional flexibility that will enable us to make the most of the opportunities that face us as the transition period ends.

As you know, Mr Speaker, this House has been concerned about the risk of so-called 'reach back' from the state aid provisions that the Protocol applies.

The concern that many colleagues had was that a company in Great Britain, with only a peripheral link to commercial operations in Northern Ireland, could be caught inadvertently by the tests within the Protocol's text.

That would not have been acceptable; nor was it what the Protocol had envisaged.

That is why I am pleased that the agreement we have addresses that risk.

It means firms in GB stay outside state aid rules where there is no 'genuine and direct' link to Northern Ireland, and no 'real foreseeable' impact on NI-EU trade. It's an important step forward, dealing with an issue raised by a number of honourable and right honourable members across this House.

Also, this deal ensures that Northern Ireland will be out of the Common Agricultural Policy, which means that the Northern Ireland Executive have full freedom to set their own agricultural subsidies for Northern Ireland's farmers.

It also means appropriate and flexible arrangements which mean that more than £400m of spending each year is totally exempt from state aid rules. As well as this, the deal ensures that support for fishermen in Northern Ireland will also be exempt from EU state aid rules — and that means more than £15m of flexibilities for Northern Ireland's fishermen over the next five years. And of course Northern Ireland's services industries are totally outside the scope of the Protocol and its state aid measures.

The agreement also respects the Protocol provisions, which were endorsed by Parliament, that allow some EU officials to be present at Northern Ireland ports as UK authorities carry out our own procedures.

And let me be clear, there will be no Belfast 'mini-embassy' or mission, as the EU originally sought. And the EU officials will not have any powers to carry out checks themselves.

There will instead be sensible practical arrangements, cooperation, reciprocal data-sharing, so that both sides can have confidence in these unique arrangements.

We also want to leave no doubt about our ongoing commitments to peace and prosperity in Northern Ireland.

My Right Honourable Friend the Northern Ireland Secretary will set out, in the coming days, further measures of financial support, to help businesses and communities to prosper and thrive from the end of the year and beyond.

And Mr Speaker, we've been able to deliver a package which now means that the Protocol can be implemented in a pragmatic and a proportionate way. It takes account of the Belfast (Good Friday) Agreement in all of its dimensions, and it protects the interests both of the EU single-market but more importantly, the territorial and constitutional integrity of the whole United Kingdom.

Now, this agreement will be approved officially at a Joint Committee meeting in the coming days.

And, of course this agreement that we have reached also enables the Government to withdraw clauses 44, 45 and 47 of the UK Internal Market Bill, and avoids the need for any additional provisions in the Taxation Bill.

Having put beyond doubt the primacy of the sovereignty of this place, as we leave the EU, we rest safe in the knowledge that such provisions are no longer required.

We know that we now need to get on and give further clarity to business as to the specifics of what this deal means for them, and how it will all work in detail in practice. And we will do this through the publication of further guidance.

And that will sit along the ongoing, intensive work we will take forward to implement the Protocol

But above all, Mr Speaker, we will always work with the interests of the people and businesses of Northern Ireland in mind — as this agreement, and the important flexibilities it will provide, reflects.

Because we must all remember if the Protocol is to work, it must work for the whole community in Northern Ireland. And whether it is to be maintained in the future, as the Protocol itself sets out, is for the people of Northern Ireland to decide through the democratic consent mechanism that my Rt Hon Friend the Prime Minister negotiated.

And on that critical, important note of the primacy of democracy, I recommend this statement to the House.