



HOUSE OF COMMONS

LONDON SW1A 0AA

Private and Confidential

Rt. Hon Theresa May MP
House of Commons
Westminster
London
SW1A 0AA

16 February 2018

Dear Prime Minister,

We are writing to thank you for your reassuring comments about Britain's approach to the upcoming trade negotiations with the EU27, and to underline our support for both your Brexit leadership, and for the vision of your speech at Lancaster House a year ago.

We share your view that free trade lowers prices, creates jobs and economic growth, and that leaving the European Union will create opportunities for freer trade with many more countries around the world. We also agree with you that we can only grasp those opportunities if we can negotiate trade deals with as many other countries as possible, which we will be legally barred from doing if we remain inside the EU Customs Union and Single Market. Leaving them both isn't a question of ideology, but practicality; we can't strike those free trade deals if we don't.

Which is why we are writing to reassure you of our continued, strong backing for the clear vision of an internationally-engaged, free-trading, global Britain which you laid out at Lancaster House. We also want to share some suggestions about how it could be achieved:

- **Taking control of our tariff schedules at the WTO.** Your Government may need to change these significantly, and must have power to do so without signoff by the EU27.
- **Full regulatory autonomy.** Your Government must have the ability to change British laws and rules once we leave, rather than being a 'rule taker' without any substantive say in whatever Brussels decides.
- **Brexit negotiations must dovetail into a global trade strategy.** DIT should publish a global UK trade mandate, to show how Britain wants to approach its trade with the rest of the world, and provide a broader context for the EU trade talks.
- **The UK must be free to start its own trade negotiations immediately.** Given the lead times for many trade deals, this is essential to minimise gaps between Britain leaving the EU and signing new deals with other countries. So, for example, your Ministers may need to discuss the division of the EU's Tariff Rate Quotas with the UK's non-EU trading partners bilaterally, and must have power to do so directly rather than only through a UK/EU agreement.

- **The UK should negotiate as an equal partner.** Ministers may not want or be able to accept the EU's timing and mandates as fixed, and should be able to set out alternative terms including, for example, building an agreement based on our World Trade Organisation membership instead.
- **Any 'implementation period' should be based on WTO principles.** Any implementation period must not restrain the UK from negotiating or signing other trade agreements. Legally, that means it should be an interim period in contemplation of a free trade agreement, compliant with GATT Article 24 (7) b.

Famously you said that you wanted to make a success of Brexit. We wholeheartedly agree with you. Only a Conservative Government led by you can deliver these opportunities for our country.

Yours sincerely

John Penrose

John Penrose MP on behalf of the ERG Officers

Cc David Davis MP, Liam Fox MP, Julian Smith MP

Full list of signatories

Lucy Allan MP	James Gray MP	Nigel Mills MP
Sir David Amess MP	Chris Green MP	Anne-Marie Morris MP
Richard Bacon MP	John Hayes MP	Matthew Offord MP
Kemi Badenoch MP	Gordon Henderson MP	Priti Patel MP
Sir Henry Bellingham MP	Philip Hollobone MP	Owen Paterson MP
Bob Blackman MP	Adam Holloway MP	John Penrose MP
Peter Bone MP	Eddie Hughes MP	John Redwood MP
Andrew Bridgen MP	Alister Jack MP	Andrew Rosindell MP
Sir Bill Cash MP	Bernard Jenkin MP	Jacob Rees-Mogg MP
Simon Clarke MP	Andrea Jenkyns MP	Lee Rowley MP
Colin Clark MP	David Jones MP	Henry Smith MP
David TC Davies MP	Daniel Kawczynski MP	Iain Duncan Smith MP
Philip Davies MP	Stephen Kerr MP	Bob Stewart MP
Leo Docherty MP	Pauline Latham MP	Sir Desmond Swayne MP
Nadine Dorries MP	Andrew Lewer MP	Derek Thomas MP
Richard Drax MP	Dr Julian Lewis MP	Michael Tomlinson MP
James Duddridge MP	Julia Lopez MP	Anne-Marie Trevelyan MP
Charlie Elphicke MP	Jack Lopresti MP	Martin Vickers MP
Nigel Evans MP	Tim Loughton MP	Bill Wiggan MP
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