



Rt Hon Lord Frost CMG  
Minister of State  
Cabinet Office 70 Whitehall London  
SW1A 2AS

The Rt Hon Sir Iain Duncan Smith MP  
House of Commons  
London  
SW1A 0AA

16 September 2021

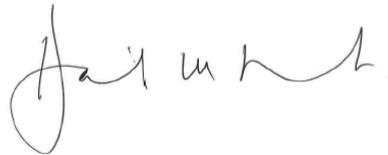
Dear Iain,

### **TIGRR**

1. I would like to thank you for the recent report from your Taskforce on Innovation, Growth and Regulatory Reform. This important work has catalysed activity across government to identify ways in which the UK can reshape its approach to regulation and harness the clear opportunities and freedoms afforded by our departure from the EU.
2. The Secretary of State for Business, Energy, and Industrial Strategy and I, launched a consultation on 22 July on the recommendations TIGRR proposed for a bold new regulatory framework. That consultation will close on 1 October after which the Government will issue a rapid response.
3. Over the summer I chaired a series of regulatory reform sessions based on your recommendations. As a result, I am announcing in Parliament today a suite of current and prospective reforms, a comprehensive review of the status and content of all EU law, and a new standing commission to receive ideas for further reforms.
4. Further to that, the annex to this letter sets out a full response to your proposals, area by area, and makes clear where action is planned or already under way.

5. Your Taskforce's report has been hugely important in driving ambitious thought on how we deliver opportunities for everyone in the UK. Accordingly this marks only the beginning of our work. We will continue to bring forward innovative proposals to position the UK at the forefront of the industries that will shape our future.
  
6. I am copying this letter to the other members of your Commission, to the Chairs of the Commons European Scrutiny Committee and the Lords European Affairs Committee, and am placing a copy in the Libraries of both Houses.

**With best wishes,**

A handwritten signature in black ink, appearing to read 'J Frost', written in a cursive style.

**Lord Frost CMG**

## Annex - Regaining control of UK laws

1. This report sets out the Government's response to the Taskforce on Innovation, Growth & Regulatory Reform, detailing our position on how we plan to maximise the benefits of leaving the EU, address EU law on our statute book, and consider broader reforms to maximise our prosperity as a country.
2. Modern economies thrive, or struggle, to a very large extent on the basis of the quality of the regulation which governs everyone's lives. EU regulations represent a compromise between 28 competing nations, rather than serving the UK's best interest. When enacted, they were often far from the UK's preferred position, and did not do as much as they could to support UK businesses and citizens. That situation needs to change.

### TASKFORCE ON INNOVATION, GROWTH & REGULATORY REFORM

3. The Prime Minister convened the Taskforce on Innovation, Growth & Regulatory Reform (TIGRR) to scope out and propose options for how the UK can take advantage of our newfound regulatory freedoms. In May this year, the Taskforce published its recommendations, which became a catalyst for identifying new opportunities the UK Government can pursue now that it has left the EU.
4. The below sets out how the Government is responding to the TIGRR report. It outlines what the Government has done so far, what work is currently underway, and what the Government's commitments are for the future, in the following areas:
  - a. **New regulatory framework** - where we are currently consulting on reforming the framework for better regulation;
  - b. **Financial services and investment reform** - where we are reviewing the financial services regulatory framework, reviewing Solvency II, and working with the Bank of England and the Financial Conduct Authority on further reform;
  - c. Overhauling the EU's outdated and restrictive **data** policies and ensuring the UK's infrastructure is fit for cutting edge technologies and the growth of **AI**;
  - d. Building a new approach to our **energy markets** with the creation of a data platform, regulation of smart devices, reform of industry codes, and updating regulations and frameworks to enable more innovative approaches with a 'smart grid' in mind;
  - e. Steps have already been taken in line with recommendations on **net zero technologies** and substantial work is underway to enhance the capacity and functionality of our offshore and hydrogen energy sectors for the future;
  - f. We are seizing newfound regulatory autonomy to unleash Britain's potential as a world leader in the technologies underpinning the **Future of Transport**;

- g. We will establish a new **UK clinical trials** regulatory landscape that promotes efficiency and innovation and develop **new domestic medical device regulation** to support the use of AI and other digital health technologies;
- h. Reforms on the **agri-environment** sector already underway will maximise public value for money and incentivise private investment, including through adopting innovative digital solutions wherever possible. This will include reviewing our position on the regulation of **innovative genetic techniques** following our departure from the EU;
- i. **Space** Industry Regulations were approved by Parliament in July this year, paving the way for the first space launch from the UK next year and tackling the challenge of liability identified by TIGRR; and
- j. The Government is actively exploring further reforms in relation to TIGRR's recommendations, including parallel import laws and e-labelling, will permit the voluntary printing of the Crown Stamp on pint glasses, and will review the EU ban on markings and sales in imperial units and legislate in due course, neither of which were possible within the EU.

### **BOLD NEW REGULATORY FRAMEWORK [TIGRR Headline Proposal 1]**

- 5. The TIGRR report proposed, now that the UK has left the EU, it should adopt a bold new regulatory framework for the UK, with the objective of promoting productivity, competition, and innovation through a new regulatory framework that is proportionate, agile, and less bureaucratic.
- 6. In July, in response to the TIGRR Proposals, BEIS launched a consultation - [‘Reforming the Framework for Better Regulation’](#), which sets out our principles for regulation and takes forward the recommendations made in the report in this area, including the potential to reintroduce a concept such as one-in-x-out, which was also recommended by the Penrose Review. That consultation is still open. The Government will consider the responses received and publish a response in due course.

### **FINANCIAL SERVICES AND INVESTMENT REFORM [TIGRR Headline Proposals 2–6]**

- 7. At [Mansion House](#), the Chancellor set out the Government's vision for an open, green, and technologically advanced financial services sector that is globally competitive and acts in the interests of our citizens—creating jobs, supporting businesses, and powering growth across all of the UK. Through nimble policymaking and agile regulation, we will support innovation and the adoption of cutting-edge technologies while ensuring appropriate protections and promoting financial stability.
- 8. The regulatory regime that we have inherited from the EU is inflexible and overly restrictive. The TIGRR report advocated strongly for the restoration of a principles-based approach to the regulation of financial services and in doing so welcomed the Treasury's [Financial Services Future Regulatory Framework Review](#) (TIGRR recommendation 4). HM Treasury is considering 120 responses submitted to the initial October 2020 consultation, ahead of a second consultation this autumn. Among the

range of measures launched at Mansion House, HM Treasury is also consulting on how the UK's regime for [wholesale capital markets](#) can be reformed to deliver a framework that is fair, outcomes-based and that supports openness and competitiveness, whilst maintaining the highest regulatory standards. As part of that work, the review will consider amendments to the MiFID II regime that we inherited from the EU (TIGRR recommendation 4.1).

9. The TIGRR report called for reform of regulations for UK pension and insurance funds, with the aim of enabling greater investment in domestic growth (TIGRR recommendation 2). An industry-led [working group on productive finance](#), co-chaired by HM Treasury, the Bank of England, and the Financial Conduct Authority has studied this and related issues over the past year and will shortly be publishing its report and recommendations. HM Treasury is also conducting a comprehensive [review of Solvency II](#), the prudential regulation regime that the UK has inherited from the EU. This review will make sure that the UK puts in place the regulatory regime best suited to its own prudential markets and will consider how best to create incentives for investment, broaden access to long-term productive assets and increase transparency.
10. The report also made a specific recommendation to attract private investment to help regenerate local infrastructure and support the Prime Minister's Levelling Up agenda (TIGRR recommendation 2.3). On 17 June this year, the Chancellor opened the new [UK Infrastructure Bank](#) to support local growth and tackle climate change. Working in partnership with local government and the private sector, the Bank will harness investment tailored to the needs of specific infrastructure projects, offering a range of financing tools including debt, equity, and guarantees. Bolstering this initiative, the Planning Bill will strengthen the ability of Development Corporations to support the development of local infrastructure and kindle economic growth across the nation.
11. The TIGRR report made further recommendations for a regulatory framework that supports the digitisation of the infrastructure on which the financial services industry relies and that supports the UK's global leadership in financial technology, commonly known as fintech (TIGRR recommendation 5). As the Chancellor affirmed at Mansion House, the Government is taking forward recommendations in Mr Ron Kalifa's [review](#) to cement the UK's reputation as a global hub for fintech and promote the adoption of cutting-edge technologies by UK financial services providers and their clients.
12. HM Treasury is working with the Bank of England and the Financial Conduct Authority to deliver a [financial market infrastructure \(FMI\) 'sandbox'](#). This will support private sector innovation by enabling firms to explore how to use technologies like distributed ledgers to enhance financial market infrastructure.
13. Now that the UK has left the EU, the Prudential Regulation Authority is able to consider a wider range of measures to increase competition in the banking sector, specifically by adopting a graduated approach to the regulation of technologically innovative, challenger banks entering the sector. The Authority's ['Strong and Simple'](#) work programme for regulation has recently closed consultation on a discussion paper on this subject and is now considering the responses (TIGRR recommendation 5.2).

14. The UK's Open Banking standard is widely recognised as world-leading and the potential benefits of extending its approach to data-sharing more widely across financial services are substantial. The Financial Conduct Authority has this year set out its strategy for the development of an [Open Finance standard](#). Central to this strategy is the Government's support of industry-led efforts to develop common standards and a delivery plan, as part of which we will consider what future legislation is needed to create the regulatory framework for Open Finance.
15. Alongside this work the Government is continuing to look for ways to improve its already world-leading Open Banking regime, for example, [reviewing and updating Money Laundering Regulations](#) to make sure that they do not place a disproportionate burden on businesses that provide Open Banking services (TIGRR recommendation 5.3).
16. The TIGRR report proposed amendments to the disclosure and transparency requirements for financial services products with the aim of making them more proportionate and less burdensome (Headline Proposal 6). The Government has already taken steps in the [Financial Services Act](#) to improve the Packaged Retail and Insurance-based Investment Products Regulation. HM Treasury is also committed to a thorough review of the retail disclosure regime, which will offer an opportunity to make sure the UK regulatory framework is tailored to the needs of UK markets and UK consumers (TIGRR recommendation 6.3).

#### **DATA [TIGRR Headline Proposal 7]**

17. As the TIGRR report explains, the EU's data laws were meant to give people protection over their data privacy and engage them in the digital economy but in practice they overwhelm people with their complexity and unnecessarily restrict the use of data. We want to give our citizens greater control of their data and, where citizens and institutions are content for their data to be used, to enable it to flow more freely, driving growth throughout the economy. The TIGRR report recognised that our departure from the EU creates an opportunity for the UK to set a world-leading, gold standard data policy that will deliver a Brexit dividend for individuals and businesses across the UK. The [data reform consultation](#), published on 10 September, takes a major step towards realising the opportunities of Brexit for the UK's data regime by creating a pro-growth, trusted data rights regime (TIGRR recommendations 7.1 and 7.2). Our data regulations will be more proportionate and less burdensome than the EU's GDPR. They will help cement our status as a science superpower, safeguard people's trust in the services they use and boost economic growth across the whole of the UK, including in growth industries such as Artificial Intelligence.
18. Artificial Intelligence (AI) has the potential to transform government, businesses, and society as a whole, for the better. It is also an area of science and technology in which the UK is a recognised global leader, where it attracts twice as much investment from venture capital funds as France and Germany combined. The Government will shortly publish the UK's first National AI Strategy, which will secure investment in the long term needs of the UK's AI ecosystem, make sure that every sector and region can benefit from the transition to an AI economy, and, now that we have left the EU, set out

mechanisms for this to be well governed in the UK and around the world, encouraging innovation whilst protecting the public.

### **SMART ENERGY GRID OF THE FUTURE [TIGRR Headline Proposal 8]**

19. The TIGRR report (TIGRR recommendation 8) made helpful recommendations that could aid the UK in a bid to look again at energy market regulation across the board, re-design outdated laws, and build a new approach with the 'smart grid' of the future in mind. These recommendations ranged from the creation of a data platform to underpin shared data standards and interoperability, to the regulation of energy smart appliances and prioritising investment in infrastructure in pricing negotiations with market operators.
20. Work is in train across the spectrum of proposals in this space. Icebreaker One and its Open Energy data access platform completed Beta phase work in summer 2021 and the platform was highlighted in the [Energy Digitalisation Strategy](#) published in July 2021 (TIGRR recommendation 8.1). The Government has also already committed to look at regulating smart appliances (TIGRR recommendation 8.2), with the public [consultation](#) phase already completed.
21. The Government agreed with the challenges identified and what the proposals seek to achieve across TIGRR recommendation 8, particularly in relation to updating regulations and frameworks to enable more innovative approaches. Further work is continuing with the Department for Business, Energy, and the Industrial Strategy and across government to establish the extent and exact nature of additional reform.
22. Further to the above, and as outlined in the [Energy white paper](#) in December 2020, the Government is currently [consulting](#) on proposals for energy code reform, which will help us to deliver the changes needed to achieve net zero by transforming the way that our gas and electricity systems are governed. The proposals in this consultation will ensure that the codes develop in line with the Government's wider vision for a future energy system and with what is best for consumers and competition, in addition to making the code landscape more forward-looking, flexible, and innovative. They will also benefit consumers and industry by lowering barriers to competition, improving transparency and strengthening accountability. A new code governance framework, with the right roles and responsibilities, has the potential to play a vital role at this critical time for our energy system by helping to bring all greenhouse gas emissions to net zero by 2050.
23. The Energy White Paper also committed the Government to consulting on an energy sector Strategy and Policy Statement (SPS) for Ofgem during 2021. The SPS will set out the strategic priorities and outcomes of the Government's energy policy. Once the SPS has been designated, it will impose a legal obligation on Ofgem to have regard to the strategic priorities and policy outcomes when exercising its regulatory functions. Ofgem will be required to report on how it intends to implement the SPS at the outset, and then report annually on its performance and its plans for the coming year. The intention is that the SPS will last the length of a Parliament and it must be reviewed 5 years after being designated.

## **NET ZERO TECHNOLOGIES [TIGRR Headline Proposal 9]**

24. The UK's commitment to Net Zero transition will demand the rapid adoption of transformational technologies on a vast scale. New technologies and new connectivity will be needed to meet these ambitions. The TIGRR report recommended several ways in which the UK could reform the current UK regulatory framework governing energy generation and distribution to match the Government's ambitions for green growth and Net Zero (TIGRR recommendation 9).
25. Ofgem and BEIS are in the process of reviewing and seeking to improve coordination in the development of offshore networks and support the UK's target of 40GW of offshore wind power by 2030. The Government is taking forward work across TIGRR recommendations 9.1-9.5 and BEIS will shortly be publishing the Enduring Regime consultation as part of the [Offshore Transmission Network Review](#). Through this, the Government is aiming to develop an improved approach to connecting offshore wind and other users of offshore networks, and to delivering the associated onshore infrastructure.
26. The [Hydrogen Strategy](#), published on 17 August 2021, outlines the key steps needed over the next decade to deliver our ambition to deliver 5GW of low carbon hydrogen production by 2030, and set the context for further scale up on the way to net zero. The strategy also states the Government's intention to develop a framework suitable for a thriving UK hydrogen market. Work on this is underway but is anticipated to take several years and it is important that we get this right (TIGRR recommendation 9.6).
27. There is an existing framework, however, that pathfinder hydrogen projects can currently operate within whilst work proceeds in parallel. In addition to nascent networks for the distribution of pure hydrogen (both pipeline and non-pipeline), the current legal limit on hydrogen in the existing gas networks is 0.1% by volume. Trials testing volumes of 20% into the existing gas network are well underway with phase two recently given the green light. These are scheduled to complete in 2023, when conclusions and further plans will be drawn up based on the cost-benefit analysis and safety cases proving successful (TIGRR recommendation 9.7).
28. The Government has also committed to introducing legislation, when parliamentary time allows, to streamline processes for the final stages of nuclear decommissioning. These proposals would allow earlier de-licensing of decommissioned nuclear sites and safe and more proportionate clean-up, in line with environmental regulations, as well as significant savings to the taxpayer.

## **FUTURE OF TRANSPORT TECHNOLOGIES [TIGRR Headline Proposal 10]**

29. The TIGRR report highlighted how technology is transforming transport. We will seize upon our newfound regulatory autonomy to unleash Britain's potential as a world leader in the technologies underpinning the Future of Transport.
30. Shortly, we will set out ambitious plans which include modernising outdated EU vehicle standards to unlock the expansion of new transport technologies as outlined in TIGRR. Alongside this, we will bring forward a suite of more specific measures to repeal

unnecessary EU regulations, improve consumer rights, and reduce unnecessary bureaucracy across transport sectors.

31. When legislative time allows, we intend to revoke the burdensome and unnecessary EU Port Services Regulation (TIGRR recommendation 17.3), which was never fit for purpose in the context of the United Kingdom's privately operated port system, alongside exploring a wide range of reforms to the regulation of the general aviation sector, and taking steps to support innovative use of regulatory sandboxes in road and air transport (TIGRR recommendation 10.2).
32. However, the impact of transport regulation is not limited to ports and airlines, and we will ensure the changes we make also improve the everyday lives of citizens. We will take advantage of new Brexit freedoms to improve the consumer rights of air passengers, modernise diabetes management for HGV drivers, and streamline the way we licence vehicles and their operation - introducing digital driving test certificates, digital provisional driving licences, and digitising the MOT process.

### **REGULATORY ARCHITECTURE FOR GLOBAL UK LEADERSHIP IN CLINICAL TRIALS [TIGRR Headline Proposal 11]**

33. Proposal 11 of the TIGRR report recommended that we seek to establish a new UK Clinical Trials Regulatory landscape to build on the success of the COVID-19 RECOVERY trial and UK leadership in genomics, novel trial design, faster patient recruitment and use of disease cohort data to make the UK a world leader in clinical trials.
34. The Medicines and Healthcare products Regulatory Agency (MHRA) have already announced their 2021-2023 delivery plan '[Putting Patients First: A New Era for Our Agency](#)'. This sets out how it intends to transform the Agency and evolve and strengthen its regulatory framework, both in line with TIGRR recommendations and beyond them. This will ensure it continues looking to the future and keeping pace with fast-moving life science development.
35. Work to reform clinical trials, notably speeding up patient recruitment, the efficiency of set-up, and encouraging innovative trial design is already being progressed as part of the UK Clinical Research Recovery Resilience and Growth Programme (RRG), a cross-sector programme to implement the vision set out in '[Saving and Improving Lives: The Future of UK Clinical Research Delivery](#)' (published March 2021). This programme, along with the [Implementation Plan](#) published in June, sets out ambitions to create a patient-centred, pro-innovation and digitally enabled research environment to empower and support those conducting or taking part in research across the NHS. Work is also progressing on future stages of implementation that will see real changes that will make a difference to the way clinical trials are conducted throughout the UK.

### **DIGITAL HEALTH [TIGRR Headline Proposal 12]**

36. In line with TIGRR recommendations and to support the growth of the digital health sector, we are taking forward changes to the UK's regulatory framework on medical devices to support the use of AI and other technologies to improve health outcomes.

As a sovereign regulator, the MHRA is developing a robust future regulatory framework to ensure that patients can access innovative but safe devices and ensure regulations are fit for purpose to develop new and emerging devices harnessing cutting edge technology, software and AI. This leading regulatory model will address many key challenges, helping ensure that we attract a world-class life sciences industry and innovators without compromising on safety.

37. The Government published a draft [Health and Social Care Data Strategy](#) that outlines our long-term plans for the future of the health and care system including programmes of work focused on better utilising data and creating a more coordinated local approach with Integrated Care Systems at the heart of those plans.

### **AGRI-ENVIRONMENTAL INNOVATION [TIGRR Headline Proposal 13]**

38. The TIGRR report highlighted the opportunity to create a more integrated, risk-based, proportionate approach to agri-environmental regulation, incorporating net gain and greater use of agri-tech. The Government has already begun to put in place the framework for this reform through our [Agriculture Act](#) and our landmark [Environment Bill](#). Our reforms will aim to maximise public value for money and incentivise private investment, including through adopting innovative digital solutions wherever possible. This includes three new environmental land management schemes (Sustainable Farming Incentive, Local Nature Recovery & Landscape recovery) which support farmers to improve the environment, improve animal health and welfare, and reduce carbon emissions, whilst producing the high quality food for which they are renowned.
39. Biodiversity Net Gain (BNG) is a critical part of Defra's strategy for enhancing the natural environment and promoting sustainable growth. Defra will shortly be publishing a consultation on our plans for implementing BNG. This consultation will include proposals for a market-based approach to delivery of biodiversity offset units (TIGRR recommendation 13.1).
40. Our regulatory system has not kept pace with UK scientific innovation across agricultural sectors. From gene editing to agri-robotics, we have the potential to seize significant benefits for the public and obtain world-leading first-move advantages for the economy. We intend to ensure that our regulatory framework enables and encourages agri-tech innovation whilst providing necessary safeguards, without stifling or curbing breakthroughs (TIGRR recommendation 13.4). More broadly, we are identifying key areas of the regulatory baseline for agriculture where improvements can be made and we are building a stronger evidence base around understanding agricultural activities that pose the greatest impact. We are committed to reforming the agricultural regulatory system, working in partnership with the industry to design a more proportionate, flexible, and risk-based approach that helps us to achieve our outcomes.
41. Current legislation does not prevent drone spraying taking place provided people and the environment are suitably protected. Suitable protection is demonstrated by ensuring people and the environment are not exposed to levels of pesticides that will cause harm or have unacceptable effects. We are keen to facilitate adoption of technologies that have the potential to improve the sustainability of pesticide use. Drones offer the prospect of more precise and targeted application, and the

Government is currently working with key stakeholders to determine how pesticide exposure from drones differs from that of existing technologies. The Health and Safety Executive (HSE) stands ready to consider applications to apply pesticides by drone and has updated its guidance to encourage businesses to contact HSE for advice on the application process (TIGRR recommendation 10.5).

42. On leaving the EU, the UK has seized the opportunity to support businesses by moving multiple disparate licensing regimes under a common framework, reducing duplication and overlap in regulation between user activities, and thereby lowering the administrative burden (through the Environmental Permitting Regulation). Businesses have further benefited from a proportionate risk-based hierarchy of permitting that allowed lower risk activities to proceed based on a standardised permit or even an exemption, reducing the registration and reporting burden. Defra is continuing to rationalise the existing Environmental licensing and permitting (ELP) regimes so they are more streamlined and easier for businesses and users to navigate, whilst maintaining and even enhancing environmental protections (TIGRR recommendation 13.5).

#### **AGRICULTURAL GENOMICS [TIGRR Headline Proposal 14]**

43. The EU's approach to genetically modified crops is unscientific and stifling innovation. TIGRR recommended the UK should reform our regulation of innovative genetic techniques and allow gene edited crops for research and development to help domestic agriculture reduce its dependence on chemical pesticides and cut its carbon footprint (TIGRR recommendation 14.1). Now that we are free of CJEU rulings, we have had the opportunity to review this position and the Environment Secretary will soon announce the Government's response to our consultation on the regulation of gene edited (GE) organisms that could have been developed using traditional breeding methods.

#### **SPACE AND SATELLITES [TIGRR Headline Proposal 15]**

44. TIGRR proposed several recommendations in this space ranging from the development of an earth observation data regulatory framework, to amending the Space Industry Act 2018 to cap liability and indemnity requirements for licence applicants to launch and operate satellites from the UK.
45. We have made significant progress on this front. The [Space Industry Regulations](#) were approved by Parliament in July this year, paving the way for the first space launch from the UK next year. This will unlock up to £4 billion in market opportunities over the next decade, creating thousands of jobs benefiting communities right across the UK.
46. The Space Industry Regulations also implement our approach to limiting operator liability, which was a key recommendation of the TIGRR report (TIGRR recommendation 15.1). The Government has also already commenced a review of in-orbit liability and insurance requirements to support the needs of satellite operators. and is continuing to build on the UK's position as a science and engineering superpower to realise its full potential in the space sector.

47. Further, this Government is committed to ensuring that the UK has the most flexible and internationally competitive regulatory framework to make the UK a world-leading destination for spaceflight operators. The Department for Transport is establishing a Regulatory Review Committee involving industry and the spaceflight regulator to keep the regulations under review, ensuring that they remain current, relevant, and effective.

#### **NUTRACEUTICALS AND THE CONSUMER HEALTH SECTOR [TIGRR Headline Proposal 16]**

48. The TIGRR report proposed creating a new regulatory framework for the category of novel, health enhancing foods and supplements in order to promote investment in the UK.
49. The UK has in place the legislation and processes required for the government of food supplements, novel foods, additives, enzymes, and flavours used in foods, foods for specific groups and medicines. The Nutrition Labelling Composition and Standards (NLCS) framework sets out the process for applications to amend nutrition legislation on a UK wide basis, this includes providing a mechanism for the approval of nutrition and health claims on foods. We will continue to watch the international development of the nutraceutical market which has developed in different ways in different countries.

#### **OTHER TARGETED REFORMS [TIGRR Headline Proposal 17]**

50. In addition to the sector proposals identified in the TIGRR report, there were a number of targeted reforms identified which would remove unnecessary burdens on business. As noted, these proposals are more limited in scope than some of the transformative changes we recommend for key growth sectors, but they could nevertheless provide important economic benefits.
51. **On Weights and Measures** (TIGRR recommendation 17.1), the Government has agreed to permit the voluntary printing of the Crown Stamp on pint glasses, and to review the EU ban on markings and sales in imperial units and legislate in due course, neither of which were possible within the EU.
52. The TIGRR report noted that now the UK is outside the EU it would be able to join other major economies by permitting **e-labelling for some devices** (TIGRR recommendation 17.2), reducing the cost of compliance for businesses and demonstrating how technology can be used to make regulation smarter. The Government is actively exploring this proposal as part of its wider UK Product Safety Review.
53. **On parallel import laws** (TIGRR recommendation 17.4), the TIGRR report noted that consumers are disadvantaged by the EU's rules which block importers who are not part of a manufacturer's official distribution network and are potentially paying higher prices for goods. The Government is exploring the TIGRR proposal as part of its consultation on the UK's future regime for the exhaustion of Intellectual Property (IP) rights.

#### **RETAINED EU LAW**

54. Responding to the recommendations of TIGRR is only the first element of our ambitions to create a statute book that is designed for the UK economy.
55. Too much of our statute book is made up of retained EU law, established only to maximise continuity following Brexit. It should not remain on the statute books indefinitely where it does not work for the UK.
56. To deepen our work to reform our laws and make them our own, we will conduct a review of Retained EU Law to ensure that policies and regulation are tailored to the UK's needs. This review will seek to: clarify any uncertainty in relation to the scope of EU law in UK law; ensure that Retained EU law is not a separate category of UK domestic law, but normalised within our law with a clear status of either primary or secondary legislation; revisit the EU concept of 'supremacy of EU law' in the context of retained EU law; consider whether to extend the power to depart from retained EU case law to all UK courts; and, consider how to allow REUL to be challenged. The review will also consider changes to the substantive content of REUL. We will look at all options for doing so, including the possibility of a tailored mechanism or process for dealing with REUL, which reflects the fact some of these laws, especially those which entered into force after 23 June 2016, have less democratic legitimacy than laws initiated by the UK Government. Following this review we are likely to require legislation to ensure our statute book is as clear and efficient as it can be. We will work as closely as we can with Parliament to craft the most effective way forward.
57. HM Treasury is leading the way in exploring how retained EU law can be adapted to the UK's position outside the EU in the context of financial services through the work the Chancellor is leading on the Future Regulatory Framework Review. It will continue to do so. Our departments will, of course, work closely to ensure alignment between this new review announced today and the Future Regulatory Framework Review already in train.

## **FURTHER WORK & NEXT STEPS**

58. The UK Government is also committed to the digital transformation of regulation: work is underway to apply advances in AI and machine learning to making regulatory information more accessible and useful for businesses and others who need access to it. A core part of this Digital Transformation of Regulation programme is a new database of all UK regulations, stored in an enriched format and tagged with additional metadata. This database will be available as an open-access dataset and enable the development of new applications to more easily navigate the regulatory landscape. The programme will also develop a business-facing tool, hosted on GOV.UK and built using data from the new open access database, to help businesses identify and understand the regulations that are relevant to them and take action on them.
59. We are committed to engaging across all of society and making room for genuinely new and novel ideas. To that end, we will **host a series of Brexit Opportunities Conferences** to shape the UK's future policy priorities. The discussions at these conferences will inform a series of 'deep dives,' which will look at how we regulate key areas of our economy.

60. We also recognise that Whitehall is often closed to new ideas, and inaccessible to large swathes of the British public. To remedy this, **we will create a new, direct and democratic route for UK citizens to raise ideas for regulatory reform directly to the Government.** This initiative will ensure we target the retained EU laws, and UK regulations, that impact real people on a day-to-day basis - ensuring that everyone in the country benefits from our rediscovered freedoms.
61. These reforms represent only the beginning of our ambition to reform the UK statute book. We will continue to bring forward innovative proposals to position the UK at the forefront of the industries that will shape our future.