

Summary cover page:

1. Framework ownership

- **Framework name**

Common Framework on Late Payment (commercial transactions)

- **Responsible portfolio Minister**

Minister for Business, Trade, Tourism and Enterprise

- **Framework lead policy team (incl. contact details)**

Enterprise, Entrepreneurship and Business Support

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- **Committees that the framework is being actively shared with**

Economy and Fair Work Committee; Constitution, Europe, External Affairs and Culture Committee

2. Points for the Parliamentary committees to note

a. Procedural

- **Date of JMC(EN)/portfolio Minister sign-off of the provisional framework**

The published version of the framework was agreed by UK portfolio Ministers in December 2021.

b. Content

- **Purpose of the framework**

The Common Framework on Late Payment (commercial transactions) covers the Late Payment Directive (2011/7/EU) designed to protect European businesses against late payment of monies owed in commercial transactions. It formally establishes ways of working for after the transition period.

- **Issues to flag**

There is currently a level playing field across the UK in respect of Late Payment legislation.

- **Relevant legislation**

The framework covers the Late Payment Directive (2011/7/EU), designed to protect European businesses against late payment in commercial transactions. It is implemented through The Late Payment of Commercial Debts (Interest) Act 1998, as amended, on behalf of Northern Ireland, Wales and England and in Scotland by The Late Payment of Commercial

Debts (Scotland) Regulations 2015 and The Late Payment of Commercial Debts (Scotland) Amendment Regulations 2018.

- **Significant differences between the provisional framework and phase 3 summary**

No significant differences.

- **Stakeholder engagement**

Key business representative organisations and stakeholders were given the opportunity to comment on the Framework summary. For Scottish interests this included FSB, CBI, IoD, the Scottish Chambers, Business Gateway and SCDI.

- **Any Scotland specific policy considerations or interests**

There is currently a level playing field across the UK in respect of Late Payment legislation.

- **Information about any significant points of difference between administrations over the course of agreement of the framework and how these have been addressed**

No significant differences.

- **Information on any relevant developments that the committee should be aware of**

Ministers have reached agreement on an exclusions process that protects the joint governance and decision-making arrangements from the impacts of the IMA for those policy areas where a common framework has been developed. As a result of this agreement, there is no requirement for the IMA to be referenced within any common framework. A Ministerial Statement and the IMA exclusion process will be laid in the UK Parliament on 9 December 2021.