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Daniel Johnson MSP  
Convener Economy and Fair Work Committee  
The Scottish Parliament  
By email to:  
economyandfairwork.committee@parliament.scot

15 December 2025

Dear Daniel,

### **Extension to Section 2 of the Trade Act 2021**

On 01 October 2025 I informed the Committee of the UK Government's proposal to extend powers under Section 2 (1) of the Trade Act 2021. I have since received further information from Sir Chris Bryant MP, Minister of State for Trade confirming that on 13 November 2025, the regulations were made and will come into force on 30 December 2025 – extending these powers for a period of five years.

In my correspondence to the UK Government on 23 September 2025, I sought assurances that these powers would only be used to implement international trade agreements. The response from UK Government has made clear that these powers can only be used to implement a free trade agreement with a country which also had an international trade agreement with the European Union before 31 January 2020. The use of the powers is also underpinned by existing safeguards that prevent the power being used to reduce UK levels of statutory protections across human, animal or plant health, animal welfare, environmental protection, employment and labour, data protection and protection of children and vulnerable adults online.

Additionally, I requested clarity around why the UK Government deemed it necessary to extend these powers. The UK Government concluded that the extension was required in order to enable effective implementation of upcoming free trade agreements, such as Switzerland, Türkiye, and Republic of Korea, which may conclude after the powers previous expiry date of 31 December 2025. Extension of the powers also ensures existing free trade agreements can be managed effectively, for example if additional domestic legislation is required following ratification of a trade agreement.

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I am content with the response received from the UK Government on this matter; however, I welcome any feedback or questions from the Committee on this issue.

A handwritten signature in black ink that reads "Richard Lochhead". The signature is written in a cursive style with a large initial 'R'.

**RICHARD LOCHHEAD**

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