

**The EU-UK Trade and Co-operation
Agreement and the future of the Island's
international trade relations**

A report by the Council of Ministers

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1. CHIEF MINISTER’S FOREWORD	3
1.1. The end of Protocol 3	3
1.2. What Next? Hard or Soft Brexit?	3
1.3. Where Are We Now?	4
1.4. Global Britain - a new trading environment?	5
1.5. The Isle of Man – Today and Tomorrow	5
2. EXECUTIVE SUMMARY	6
3. BACKGROUND	7
3.1. The Legal and Constitutional Position	7
3.2. Brexit – Why Did It Happen?	7
3.3. The End of Protocol 3	8
4. WITHDRAWAL AND READINESS	8
4.1. Readiness (including Legislation)	9
4.2. Triggering of Article 50	9
4.3. Legislative & Administrative Readiness	9
4.4. Public Awareness / Communications	10
4.5. Contingency planning	11
5. NEGOTIATIONS – PROCESS & OUTCOME	11
5.1. UK – EU Negotiations	11
5.2. The Crown Dependencies	12
5.3. An Isle of Man Negotiating Mandate	13
5.4. Process	14
5.5. What Happened?	15
5.6. Endgame	16
6. THE TCA - HOW DOES IT APPLY TO THE ISLE OF MAN?	17
6.1. Territorial Scope	17
6.2. Goods	18
7. FISHERIES	21
7.1. General Provisions – Definitions	21
7.2. CD-Specific Measures	22
7.3. Fisheries Governance	24
7.4. Fisheries Termination	28
7.5. Summary	30
8. THE GOODS CHAPTERS	30
8.1. Title I – Trade In Goods	32
9. WHAT DOES IT MEAN?	37
9.1. For The Various Sectors of the Isle of Man Economy?	37
9.2. What about Jersey and Guernsey?	37
10. WHAT ABOUT OTHER PARTS OF THE AGREEMENT (WHICH DO NOT APPLY)?	38
10.1. Financial Services	39
10.2. Data Protection	40
10.3. Joint Political Declaration on Countering Harmful Tax Regimes	40
10.4. Air Services	41
11. The rest of the world	41
11.1. Rest of World Free Trade Agreements	41

1. CHIEF MINISTER'S FOREWORD

2016 was the year that the UK voted to leave the European Union, that the US elected Donald Trump to be their 45th President and, coincidentally, the year I became Chief Minister. So began a period of great change and of political flux.

In the Isle of Man, although somewhat insulated from the intensity of the turmoil in Westminster and beyond, we were not entirely immune. We found ourselves undertaking a "journey without maps".

Rather uncomfortably, we found ourselves in a situation where we were not entirely masters of our own destiny. We were dealing with a set of decisions that had been taken elsewhere and to which we had to adapt and respond.

The Isle of Man Government's response was to remain removed from the substance of the Brexit debate itself. We judged that getting involved would lead us nowhere. Brexit was merely a fact. The British people had spoken, and we had to deal with that decision and its consequences. We took an early decision not to fight but instead to educate and influence the best possible outcome for the Isle of Man, our people and our economy.

1.1. The end of Protocol 3

The UK's decision to leave the EU meant that we would need to say goodbye to Protocol 3 – the text that had set out our relationship with the EU.

As a Crown Dependency we did not have, and indeed could not have, a direct relationship with the European Union. Our relationship was through the UK. So when the UK was to leave, then that relationship, embodied as it was in Protocol 3, would fall.

Alongside our underlying constitutional relationship with the UK and our Customs & Excise Agreement with them, Protocol 3 was one of the foundations upon which much of our law was based. This was particularly the case for agricultural standards, food, fisheries, product standards and customs matters.

We needed to prepare for the UK's departure from the EU and for the end of Protocol 3. With this important foundation being removed, we needed to ensure that we replaced any EU law that had effect in the Isle of Man with new Manx law to ensure continued stability. We needed to ensure that our laws as well as the processes and administrative procedures that sat beneath them continued to function. And we needed to be vigilant to protect the close working relationship with the UK. This report sets out the work we did to ensure we were ready to leave our Protocol 3 relationship behind.

1.2. What Next? Hard or Soft Brexit?

We had to ensure that in the event that the UK did secure a post-Brexit negotiated agreement with the EU, we could be a part of it. This was not a given. Critically, we had to ensure that whatever came next would work for the Isle of Man. The Isle of Man could only *order from the menu* that the UK and EU were able to agree between themselves. We knew

that, if the UK did not secure a deal, we could not have a deal ourselves. And if they did, then we needed to understand what we could live with. The nature of trade deals suggested that there would be a price to pay. There is no such thing as a free lunch.

This meant staying close to the UK as it formed its negotiating position and then as it set about discussing that position with the EU. And all this took place against a backdrop of febrile politics.

After the referendum, a period of intense ambiguity followed. The UK electorate had voted to leave the EU – to cease to be an EU Member State. But the referendum had not asked, nor had it answered, the question as to what the future relationship might look like.

There followed a series of struggles between factions in Westminster (and indeed within the Conservative Party) over what the UK's new relationship with the EU should look like. We saw political sights unprecedented in the modern era.

Theresa May's Government envisaged a much closer relationship with a high degree of alignment with EU regulation and rules on customs. The aim was to ensure reduced friction at the UK/EU border and to avoid the need for a hard border between Northern Ireland and the Republic of Ireland.

But her slim majority, coupled with her reliance on the support of Unionist MPs in Northern Ireland meant that she failed to achieve backing for her vision – as set out in her Chequers Plan.

When Boris Johnson became the leader of the Conservative Party and Prime Minister, he called an election and fought on the basis of "*getting Brexit done*". He offered a limited relationship with the EU – a hard Brexit. With a renewed and significant majority, the Johnson Government took the UK out of the EU on 31 January 2020. They then turned their attention to negotiating a new relationship with the EU that would start at the end of the Transition Period - 1 January 2021.

1.3. Where Are We Now?

The UK-EU negotiations took place over an eleven month period from 31 January until 24 December 2020, when the text was finally agreed.

The final text runs to hundreds of pages. Much applies to the Isle of Man. Much more does not. This merely reflects the settlement that the UK was able to achieve on our behalf. Simply put, it represents a stable goods-based relationship with the EU that allows for tariff-free access to the EU market for goods. In return, it allows for limited and controlled access to Isle of Man territorial waters for some EU vessels subject to certain (and important) limitations.

An analysis of the agreement, and the manner in which it applies to the Island, is set out in this report.

1.4. Global Britain - a new trading environment?

As the UK left the EU, it was very keen to make it clear that one of the advantages of doing so would be to enable it to enter into new trading relationships (Free Trade Agreements – FTAs) with non-EU countries. Whilst the EU already had many FTAs in place, the UK wished to do more, and to do so quickly.

We wanted to ensure that we remained close to the UK so that we could be covered by any new arrangements that they agreed and to ensure we were able to go with them as they set course on a new journey (Rest of World FTAs).

At the same time, we had to ensure that we met the requirements of the UK's new status in the World Trade Organisation (WTO).

Future trading relationships are set out in Section 4 below; FTAs, the WTO and the Isle of Man in the global trading system.

1.5. The Isle of Man – Today and Tomorrow

We hope that as we begin to emerge from the COVID pandemic, and we put the turbulence of the Brexit era behind us, we can begin a more stable period where we can afford to take stock and look towards the future.

In the Isle of Man, we are characterised by political stability and a pragmatic approach to dealing with and responding to world events. We are small, and we have no international legal or diplomatic personality – we cannot shape or change world events. We do not make these things happen, they happen to us.

What we can do though is prepare thoroughly, and react in an appropriate and measured way – for example, we took great pains not to take a political position on Brexit. It may well be that we were better off with the UK in the EU, and with Protocol 3 in place, but it serves little purpose to speculate on that now.

In this report, we hope to draw a line, to some extent, now that the dust has settled. We can now begin to appraise the changed landscape calmly, and to identify the new opportunities and challenges that we can take on, working with our new contacts.

I hope that, whilst this may not necessarily represent a road map for the next administration, it will at the very least set out where we have come from over the last five years, and how we arrived where we are.

Hon Howard Quayle, MHK
Chief Minister

2. EXECUTIVE SUMMARY

The Isle of Man is not part of the UK, and was not included within the UK's membership of the European Union. Through a protocol attached to the UK's Act of Accession to the European Union, however, the Island was part of the EU customs union, and certain provisions relating primarily to the trade in agricultural products applied to it.

When the UK voted to leave the EU in 2016, this meant that the Isle of Man's relationship with the EU, which was through the UK, would cease.

The Isle of Man Government therefore needed to ensure that the Island would be ready for the UK to leave the EU, and also that the UK's new relationship with the EU – whatever that might be – would cover the Island to an appropriate extent.

The legislative preparations for the UK's withdrawal were taken in advance of the UK's original projected exit day in March 2019. This included the European Union and Trade Act 2019, together with numerous pieces of secondary legislation which amended and updated Isle of Man law to ensure that there was no legislative cliff-edge on exit day. Furthermore, preparations were made to ensure that businesses and people were aware of, and ready for, any potential changes which might affect them.

The Isle of Man Government engaged with the UK Government throughout the negotiation process, and established certain strategic objectives in respect of those negotiations, namely –

- to ensure that the Isle of Man continued to be able to trade freely with the UK;
- to ensure that Island residents continued to be able to move freely within the Common Travel Area;
- to ensure that Isle of Man goods would be treated in the same manner as UK goods in trade with the EU;
- to take advantage of any other opportunities which might arise on their merits

The UK negotiated on behalf of the Isle of Man (and the other Crown Dependencies) and it was able to secure coverage by the portions of the Trade and Cooperation Agreement which cover trade in goods. In addition, the Island would allow access to its territorial waters for certain EU vessels.

Although unable to secure coverage by any of the parts of the Agreement which cover areas outside the trade in goods, the Island is seeking to participate more broadly in various Free Trade Agreements which are being negotiated with other countries.

As well as covering the process of withdrawal and negotiation more broadly, and looking briefly to the future, this report sets out in detail how the Trade and Cooperation Agreement applies to the Island.

3. BACKGROUND

3.1. The Legal and Constitutional Position

The Isle of Man is not part of the United Kingdom and is internally autonomous and self-governing, with its own independent legal, administrative and fiscal systems. The Isle of Man is a Dependency of the British Crown, with Her Majesty The Queen as Sovereign. The Sovereign is personally represented in the Island by the Lieutenant Governor.

The Isle of Man has a long-standing customs relationship with the UK, and is in customs union with the UK, which sits alongside the Isle of Man - UK revenue-sharing agreement. The Island is also a part of a long-standing agreement known as the Common Travel Area (CTA), which allows for people to move freely within the CTA (which comprises the UK, Ireland, the Isle of Man, and Jersey and Guernsey).

The Island's parliament, Tynwald, legislates for the Island. UK legislation and international treaties are by constitutional convention only extended to the Island with the prior consent of the Isle of Man Government.

The Isle of Man was not part of the EU or EEA but was included in the customs territory of the EU by virtue of Protocol 3 to the UK's Act of Accession 1972. This meant that the Isle of Man could benefit from the free movement of manufactured goods and agricultural products.

The Isle of Man does not have a formal, written constitution and it also lacks a formally written constitutional relationship with the UK, although this relationship is based on a plethora of historical events, documents, conventions, legal decisions and understandings. The Island's long-standing Customs Union with the UK, and the Protocol 3 relationship with the EU, formed the key elements of the Island's trade relationship with the UK and the EU.

3.2. Brexit – Why Did It Happen?

Since the UK joined the EU in 1973, it had had an unsettled relationship with its EU partners. A referendum on continued membership was held in 1975, and since the completion of the Single Market in the 1980s, there was growing unease in the UK with the process of deepening EU economic and political integration.

Although the UK had over a number of years managed to secure a number of opt-outs and special arrangements – including non-participation in the Eurozone, in the Schengen border-free area, and some Justice and Home Affairs provisions – there continued to be a significant amount of frustration and mistrust amongst some parts of the British political establishment, as well as some parts of the business community and the general public, with the strategic direction taken by the EU.

The successes of the UK Independence Party on an anti-EU platform, a predominantly Eurosceptic press and an increasing number of MPs within the Conservative Party calling for the UK to leave the EU, culminated in the Conservative Party including a commitment in its 2015 election manifesto to renegotiate the terms of the UK's membership of the EU and

hold an 'in/out' referendum before the end of 2017. The manifesto set out a number of areas for renegotiation, although they were at that stage, relatively broad and ill-defined.

3.3. The End of Protocol 3

Following the UK's decision to leave the EU, it was clear that Protocol 3, which was a component part of the UK's Treaty of Accession to the EU, would fall away.

What might come next would be subject to negotiation, but it was clear that the manner in which EU law applied to the Island, and the many indirect effects which it had, would fall away, and it would therefore be necessary to give continued effect to EU rules, as far as they applied to the Island, to avoid a legislative cliff-edge upon exit.

The next section of the report, therefore, deals with the withdrawal process and the preparations which needed to be undertaken in advance of the UK ceasing to be a Member of the European Union.

4. WITHDRAWAL AND READINESS

The UK's negotiations with the EU fell into two distinct phases, and resulted in two separate documents.

The first phase of discussions needed to resolve the manner in which the UK would withdraw from the EU, and resulted in the Withdrawal Agreement. That first Agreement is covered in this section. The second phase of the negotiations dealt with the new UK-EU relationship, and is covered in section on Negotiations, and also in the section on the Trade and Cooperation Agreement.

The key issues (difficulties) which beset the Withdrawal discussions from the start, related to the UK's final (and any ongoing) contribution to the EU budget, the status of EU citizens living in the UK (and UK citizens living in the EU), as well as dealing with the Northern Ireland border with the EU.

Although significant, these issues did not relate directly to the Isle of Man. The Isle of Man had never contributed to the EU budget, and it did not necessarily have a direct interest in the Ireland/Northern Ireland border.

On citizens' rights, with the demise of Protocol 3, which identified and set out the definition of a so-called 'Manxman', this distinction would, similarly, fall away. It would not, however, lead to any change to the rights of those who previously fell into this category. In fact, the UK's withdrawal from the EU would mean that, broadly speaking, all British Citizens would have the same rights as a 'Manxman' had previously – that is to say, they would lose any additional rights that they did have as full EU citizens. In the end, *all* British citizens, be they from the Isle of Man or from Manchester, would have the same rights to live and work in the EU as each other.

It was therefore clear that the Withdrawal Agreement did not have a significant impact on the Island.

The Withdrawal Agreement set the conditions for the UK's withdrawal from the EU, but more importantly it allowed for EU law to continue to apply to the UK, and for Protocol 3-like conditions to remain in place for the Isle of Man, until the end of the Transition Period. In other words, EU law continued to apply to the Island to the same extent as it had under Protocol 3 until (in the end) 31 December 2020.

4.1. Readiness (including Legislation)

Following the UK's decision to leave the European Union on 23 June 2016, the Isle of Man Government set about ensuring it would be ready for all potential outcomes.

A dedicated Brexit team was established within the Cabinet Office (subsequently evolving into what is now the European and Trade Policy Team). In addition, many officials in various Government Departments – mainly DEFA, DfE and the Customs and Excise Division of the Treasury – were focused on preparations for EU exit.

Engagement with the UK was critical in understanding the mechanics of the process, and the likely timing of key events in order to ensure the Island's preparations were aligned with the UK's timetable.

Regular contact at official level (centrally with the DExEU initially, and then later, with the Cabinet Office) was established, as were links with key Departments across Whitehall. In addition, the process was subject to political oversight by the establishment of regular quarterly meetings between the Crown Dependencies' (CDs') Chief Ministers, and UK Ministers.

4.2. Triggering of Article 50

The triggering of Article 50 of the Treaty on European Union (the provision by which a Member State could opt to leave the EU), on 29 March 2017, formally began a two year process during which the UK would remain a full member of the EU (albeit stepping back from full involvement in decision-making) and withdrawal processes could be discussed and agreed.

The Treaty on European Union set this time at two years, but during this two year period there were successive extensions: firstly, until 30 June 2019, then 31 October 2019, and then, finally, 31 January 2020.

In the face of such uncertainties, the Isle of Man always had to be ready to leave, for EU law to cease to apply and for Protocol 3 to cease to exist, and potentially, in each instance, for there to be no agreement in place – what became known as a No Deal Exit.

4.3. Legislative & Administrative Readiness

Irrespective of the eventual date when the UK would eventually leave the EU, EU law, to the limited extent to which it had previously applied to the Island, would cease to have effect in the Isle of Man.

In order to avoid any gaps in the Island's laws, therefore, an assessment was carried out of the legislative impact of withdrawal. A review of the entire Manx Statute Book had to be undertaken. This included a review (and ultimately repeal) of the European Communities (Isle of Man) Act 1973 (ECA1973) itself, of any amendments and consequential acts, of any further primary legislation where EU law was referenced, or any other instances where Manx law was derived from or referred to EU law.

There were also many other areas where secondary legislation was based upon or incorporated EU measures in secondary legislation made under the ECA1973 (such as agricultural matters or sanctions measures), or where the Island had imported EU rules (such as environmental or product safety rules). In addition, of course, those areas of EU law which were given direct effect in Manx law under the ECA1973 had to be accounted for.

There were also areas where the Isle of Man had voluntarily incorporated certain EU provisions into Manx law to demonstrate equivalence (alignment) with EU standards, (i.e. Data Protection, SEPA, and others).

Furthermore, there were certain areas where the Island's relationship with the UK itself was based upon or influenced by EU rules, such as customs, VAT and passports/nationality matters. These also needed to be accounted for, and amended, in order to ensure their continuity.

In the end, the new European Union and Trade Act 2019, and many pieces of secondary legislation had to be put in place in order to give continued effect to EU law.

Attached at Appendix 1 is a comprehensive list of all relevant Isle of Man legislation which has been made – primarily under the EU and Trade Act, which give effect to these changes.

4.4. Public Awareness / Communications

The European and Trade Policy team along with various Government Departments worked together to update the central communication outlets ensuring that businesses and citizens alike were aware of the rule changes that might affect them, at the end of the Transition Period. (As mentioned above, this work was undertaken to reflect more than one No Deal Exit date).

This included:

- A Government Brexit/EU Exit webpage, which set out the implications of the UK's withdrawal from the EU on the Island's people and businesses. The web page provided a central resource for the public to consult, including the Council of Ministers' Interim Reports, speeches (including a link to Tynwald debates regarding the UK-EU exit), news releases, an associated Technical Guidance for businesses, and individuals alike.
- The "Are you Ready?" guide (for 2019 and 2021). This document served as a summary of rule changes coming into effect upon exit, and signposted individuals to further information or where potential action would be needed. The guide was supplied to Members of Tynwald in hard copy, and made available in the four central

libraries around the Island. It was also included in a news reading by the Manx Blind Welfare Society, as well as being made available online.

- Social Media Campaigns via Facebook, Twitter and Instagram, focusing on Passports; the EU Settlement Scheme; Travelling with Pets; Importing / Exporting; and Business Checklists.
- Members' briefings: The European and Trade Policy Team invited all Tynwald Members to a readiness briefing on 16 November 2020, where the work carried out to ensure IOM Government Departments were ready for the end of the Transition Period was explained. People and business readiness was covered, and an update was provided on the current state of EU-UK negotiations as they affected the Island.

Furthermore, communications included news releases, media interviews and workshops with relevant businesses organised, mainly through DfE working with the Chamber of Commerce.

4.5. Contingency planning

In addition to preparations for the end of the Transition Period, the effects of the UK leaving the EU, and the implications for the Island, needed to be considered, and any risks and potential problems needed to be mitigated, if possible.

The main risks for the Isle of Man were around the indirect effects which were likely to be felt as a result of disruption to cross-Channel trade – particularly at Dover and the Channel Tunnel. This could potentially have damaged the continuity of supply of fresh food, as well as medicines and medical supplies.

Isle of Man officials were able to build relationships with their counterparts in the UK (in DEFRA and in DHSC) which meant that they had access to up to date information, and were also involved in the preparations and mitigations for any potential supply issues. In addition, reporting and monitoring structures were put in place in order to ensure that information to and from the relevant areas was able to be fed to the Chief Secretary (and Council) should it be needed.

5. NEGOTIATIONS – PROCESS & OUTCOME

5.1. UK – EU Negotiations

Once the UK had ceased to be an EU Member State on 31 January 2020 the second phase of negotiations could begin, and talks were formally opened in February 2020.

On 13 February 2020, the European Council officially appointed¹ the European Commission as negotiator on behalf of the EU, and it published its negotiating directives² on 25

¹ <https://www.consilium.europa.eu/media/42737/st05870-en20.pdf>

² <https://www.consilium.europa.eu/media/42736/st05870-ad01re03-en20.pdf>

February. The UK published a document setting out its own approach³ to the negotiations on 27 February.

Both negotiating positions were informed by a 'Political Declaration' which had been attached to the Withdrawal Agreement. Although the Political Declaration had no legal force, it set out a roadmap for the next phase of discussions. There were, however, differences of interpretation, and also, on the desired legal form which the Agreement might subsequently take.

Three key issues emerged, very early, which were to prove difficult throughout the duration of the talks:

- Fisheries
- The Level Playing Field (or Open and Fair Competition)
- Governance and structure

On fisheries, the UK wished to gain total control of its waters, and negotiate annually on both access to those waters for EU fishers and on their share of the catch (quota). The EU, on the other hand, wanted to see access to UK waters granted on a longer term and more stable basis. In addition, the two sides did not agree on the EU's relative share of the catch from UK waters in the longer term.

On the Level Playing Field, the EU wished to ensure the UK could not diverge significantly from EU standards, and in so doing gain an unfair competitive advantage for UK businesses. The UK, unsurprisingly, did not wish to commit to remaining aligned with EU standards, as this was one of the key reasons for leaving the EU; to achieve full regulatory autonomy.

On Governance and structure, the UK wanted to ensure that there would be no role for the Court of Justice of the European Union, and also, that provisions relating to fisheries, for example, would be separate from those relating to goods.

5.2. The Crown Dependencies

The UK approach to the negotiations stated that they would be negotiating on behalf of the entire British family, and would seek to ensure that the Agreement applied to the Crown Dependencies and the Overseas Territories (Gibraltar) to the appropriate extent.

The EU mandate was silent in respect of the Crown Dependencies, although it did set out its intentions in relation to the CDs' territorial waters, and it explicitly stated that Gibraltar would not be included within the scope of the Agreement.

From the outset, the Isle of Man had intended to approach the Agreement with an open mind, and to participate in the Agreement to the maximum extent within its abilities. It was acknowledged that this might impose upon the Island certain new obligations – particularly

3

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/868874/The_Future_Relationship_with_the_EU.pdf

in respect of the Level Playing Field – but, with potential gains in terms of access in areas beyond trade in goods, these could be accommodated.

However, a more detailed approach from the CDs was required, and the manner in which this was developed is set out below.

5.3. An Isle of Man Negotiating Mandate

The Isle of Man could only achieve, at most, that which the UK was able to negotiate for itself, and so did not necessarily have a blank canvas when setting our own negotiating objectives.

As mentioned above, there were two sets of negotiating mandates, the UK's and the EU's. Whilst heed was paid to the EU mandate, the Isle of Man position was based on its assessment of the UK position, as it needed to sit within, and align to, ultimately, the UK's negotiating position.

During the negotiating process therefore, the Isle of Man Government needed to assess the UK negotiating position and establish whether it was able to meet the requirements of the Agreement as envisaged by the UK.

The UK undertook what was termed, informally, a 'Best in Class' approach, whereby it constructed a draft negotiating text based on principles agreed (and draft text) in other agreements. These agreements – with Canada, with Japan and others – were to form the basis, therefore, of the UK negotiating position. Isle of Man officials were able to assess the broad principles set out under this approach across a number of policy areas. Nothing was ruled out.

Although the Isle of Man had not previously been covered by EU law beyond the scope of Protocol 3 (relating to customs matters and largely agricultural rules), there were areas in the proposed UK approach where the Island's coverage might be widened into other areas.

Underpinning its approach to the negotiations, however, the Isle of Man Government set out some broad principles/priorities which it would use to approach the negotiations:

1. maintaining the customs relationship with the UK
2. maintaining free movement for Isle of Man residents within the Common Travel Area
3. seeking to maintain trade with the EU for Isle of Man goods on the same terms as UK goods
4. taking on other possible opportunities on their merits

Broadly speaking, the UK proposals fell into the headings of goods, services, open and fair competition (the UK equivalent of the Level Playing Field) and 'other'.

The UK had asked the Crown Dependencies to set out whether they would wish to be 'in scope' across the whole range of policy areas which it envisaged covering.

The Isle of Man agreed that it would wish to be included across the whole of the Agreement, and although, in the absence of a treaty text, detailed compliance tables could not be provided, a great deal of work had to be undertaken in order to demonstrate to UK

colleagues, in the first instance, that the Island would be able to comply with all potential obligations.

5.4. Process

If the preparations for negotiations, and the positions set out by the two sides in advance of talks were fairly transparent, then the negotiations themselves could be best described as opaque, and the facility to track the negotiations clearly and in real time as they applied to the Isle of Man was difficult for a number of reasons:

Negotiation by proxy – although relations with the UK Government were good, and access to senior officials in relevant UK Government Departments was excellent (including those conducting the negotiations on our behalf, as well as officials in the Cabinet Office, TaskForce Europe, DEFRA etc.), Isle of Man officials could not meet with or speak directly with EU negotiators.

Access to documents and sight of the 'bigger picture' – it was not possible, during the course of the negotiations, for Isle of Man officials to have sight of negotiating texts and thus, not possible to have a complete sight of the developing Agreement. This was particularly relevant, for example, in respect of the goods provisions. The Isle of Man Government wished to be covered by goods provisions in the same manner as the UK, but it was not possible to see them. That presented its own challenges, but the extensive preparatory work undertaken with colleagues in the relevant UK Government Departments (e.g. BEIS, HMRC and DEFRA) meant that UK colleagues were aware of how the Isle of Man could (and in some cases could not) meet the requirements of the Agreement. This meant proceeding, to some extent, at higher levels of risk than might normally be acceptable.

Negotiating 'rooms'/structures – the UK and EU set up a number of rooms/tables which dealt with different policy areas. The CDs were discussed, primarily, in the cross-cutting issues room, which is where the UK and EU considered governance, scope, and structure of the Agreement as a whole. There was, of course, a direct read-across to other areas, including the rooms covering goods, and especially fisheries. There was an inter-relationship between the fisheries and goods elements of what was to be an 'Isle of Man deal,' which meant that one could not be closed off without the other. This did cause some issues.

Dependencies on UK negotiating position – if the dependencies and inter-relationships between the different rooms were problematic, then perhaps even more challenging was the manner in which Isle of Man's 'asks' – particularly in relation to fisheries – were so inextricably linked with the UK/EU fisheries negotiations as a whole.

These difficulties resulted in two significant challenges. One related to the difficulty in providing Ministers and Tynwald Members with accurate and timely updates of the changing environment which gave context to the Island's own negotiating position. Regular updates from UK officials meant, however, that the evolving position could be tracked and Ministerial advice sought – and given regular updates provided – as required.

Secondly, the interdependencies with broader issues meant that there was little time, at the end of the process, to give consent to the Island's coverage by the Agreement (although as is set out below, the Isle of Man Government was able to track the development of the text, and so in the end there were 'no surprises' for Isle of Man Ministers). Ideally, the Isle of Man's position would not have still been 'on the table' so late in the discussions, but issues relating to access to the CD waters, and the arrangements on the shape and structure of the Agreement (and therefore, where the Isle of Man-specific sections would be included) were linked to broader UK/EU fisheries issues, which were only resolved very late in the negotiation process (i.e. overnight on 23rd December).

5.5. What Happened?

During the initial stages of the negotiations, the Isle of Man set out whether it wished to be in scope (or not) of the various elements of the UK proposal.

This position was put forward to the EU negotiators, and there was immediate push-back from them, as the position put forward by the Isle of Man immediately crossed a red line. The EU insisted that no party should benefit from Brexit. The Isle of Man's suggestion that it should increase the scope of its relationship with the EU beyond goods, albeit in a relatively broad manner, was not accepted.

In addition, as the EU had set out in its own negotiating mandate, it sought access to the territorial waters of the Crown Dependencies.

In return, however, the EU suggested that it would be willing to offer tariff-free access on goods for the Crown Dependencies. The UK stated that it would need to consult with the Crown Dependencies, and therefore consulted with the Island as to our view of allowing fisheries access, in return for access to the EU market for goods.

The Isle of Man took the view that it would be prepared to agree some measure of access to its territorial waters, in return for goods access. This would represent a position as near to the current position as possible. Access to waters would, however, need to adhere to certain principles, and these were –

- Sustainability – fisheries managed in a sustainable manner
- Access – for EU vessels to Isle of Man waters not in excess of current levels
- Management – the Isle of Man to manage its own waters.

Whilst there was a great deal of detail which needed to be worked through, the EU broadly accepted the principles which were put forward, and further negotiations ensued over the coming months.

However, this was not all straightforward. The negotiations faltered in the late summer/early autumn, as key issues remained difficult to resolve; and, of course, the CDs were not viewed as a priority issue. The discussions did progress, however, with the position of the Isle of Man gradually becoming a little clearer in some respects, but key issues remained unresolved, i.e.–

- The exact manner in which the goods chapters might apply to the Island – would it be a tariffs only approach, which would be similar to what the EU was seeking for its own micro-states, or would it allow for coverage of the whole goods title?
- How would the fisheries provisions be applied – the detail being so important in this regard?
- And how would the governance issues be resolved – this included where/how the Isle of Man provisions would be incorporated into the main agreement, whether there would be a separate fisheries agreement, and also, how termination would be dealt with, especially in relation to the inter-linkage between fisheries and goods provisions.

The negotiations, during the final phase, did not progress smoothly. The EU was reluctant, in many cases, to work on consolidated texts, and so much of what took place in the negotiating rooms was based on seeking to establish consensus from positions which seemed incompatible.

The UK negotiators kept the CDs informed of progress when discussions centred on them, however, it did get to be very late in the negotiations and CD issues were still not resolved.

This was to be expected, in some ways, because the EU had made it clear from the beginning that their approach was that '*nothing is agreed until everything is agreed*', but it did lead to an increased sense of nervousness for Isle of Man officials and Ministers, who were concerned that if their involvement was not resolved until the very end of the discussions, then there would be little time to consider some of the subtleties and nuance of the constitutional arrangements. In addition, the longer lines of communication from the negotiating room to the Ministers in the Isle of Man would only add to the difficulty.

So, the only approach open to the Island was to set out its position across the range of issues which remained open. As the EU position began to clarify, the Isle of Man set out its own position, but also provided UK negotiators with a sense of where they may be able to compromise (if needed), and also, where they could not (red lines).

This meant that Isle of Man Ministers could still maintain control the Island's negotiating mandate, if not have any control of the negotiations themselves.

5.6. Endgame

In the end, the Isle of Man position was still 'on the table' very much until the end of the talks. The issue of EU access to Isle of Man waters was taken to the highest level and it was not until overnight on 23rd December, with the clearance of the final versions of the text, that the provisions which related to the Island were agreed. However, because of the approach taken to the negotiations, the Council of Ministers could be advised very quickly that they had achieved what they had requested, and their potential negotiating position had not needed to be shifted. To this extent, therefore, there were 'no surprises', and Ministers could agree to the 'Isle of Man deal' very quickly.

Similarly, Tynwald Members were advised of the progression of negotiations throughout the second half of 2020. Whilst this advice could not always be explicit in terms of the exact

status of the negotiations, the progress of talks as they related to the Isle of Man, and the Council of Ministers' position was made clear to Members. Again, therefore, it is believed that when the final Agreement was reached, in respect of the Isle of Man, there were similarly, 'no surprises' for Members of Tynwald.

In addition, because of the manner in which international obligations are dealt with in the Isle of Man, once the final draft text was received, the Chief Minister could quickly consent to the Island's inclusion within the scope of the Agreement, on the basis of the terms set out in the Agreement.

The Isle of Man has also needed to ensure that all legislation was in place prior to the end of the transition period and the coming into force of the new Agreement.

Much of this had been anticipated, as is set out in the section on Legislation and Readiness above. It was only necessary to make a small change to fisheries legislation in order to ensure that Isle of Man law aligned with the requirements of the Agreement.

In addition, however, the UK only published its own legislation giving effect to the agreement on 29 December, and so a further set of Regulations from the Council of Ministers under powers set out in the European Union and Trade Act 2019 were made urgently, to clarify how the Agreement would have general effect in Isle of Man law.

This meant that the Chief Minister was able to write a letter to the UK Government giving his assurance that the Isle of Man had the necessary legislation in place in order to give effect to the Agreement in the Island.

Copies of correspondence between the Isle of Man and UK Government are attached at Appendix 2.

6. THE TCA - HOW DOES IT APPLY TO THE ISLE OF MAN?

The Trade and Cooperation Agreement was concluded on 24 December 2020, and a number of its provisions relate to or apply to the Isle of Man. They are set out in full in the table which is attached at Appendix 3.

6.1. Territorial Scope

In order to understand how the TCA applies to the Island, it is perhaps most useful to start with the final chapter, Part Seven, which covers various "Final Provisions".

Paragraph 2 of Article FINPROV 1: Territorial Scope states that

"This agreement also applies to the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man to the extent set out in Heading Five [Fisheries] and Article OTH.9 [Geographical Application] of Heading Six [Other provisions] of Part Two of this Agreement."

This section, then, defines how the Agreement applies, in two very specific parts, to the Isle of Man, rather than in its entirety. Those parts, as has been discussed in the 'EU negotiations' section of this report, relate to goods and to fisheries.

6.2. Goods

Part two of the Agreement covers "Trade, Transport, Fisheries and other arrangements".

Heading six of Part Two of the Agreement "Article OTH.9 Geographical Application" provides at Paragraph 3, that,

"Subject to the exceptions contained in paragraph 4, Chapters 1 [NTMA], 2 [Rules of Origin] and 5 [Customs and trade facilitation] of Title IV [Trade in goods] and the Protocols and Annexes to those Chapters shall also apply, with respect to the United Kingdom, to the territories referred to in Article FINPROV.1(2) [Territorial scope]. For that purpose, the territories referred to in Article FINPROV.1(2) [Territorial scope] shall be considered as being part of the customs territory of the United Kingdom. The customs authorities of the territories referred to in Article FINPROV.1(2) [Territorial scope] shall be responsible for the application and implementation of these Chapters, and the Protocols and Annexes to these Chapters, in their respective territories. References to "customs authority" in those provisions shall be read accordingly. However, requests and communications made under these Chapters, and the Protocols and Annexes to these Chapters, shall be administered by the customs authority of the United Kingdom."

This means that –

- Chapters 1, 2 and 5 of Part 2 of the TCA apply to the CDs, along with their Annexes & Protocols:
 - although there are some reservations/carve outs (in respect of the Channel Islands).
- The CDs are to be considered as being part of the UK customs territory:
 - and the customs authorities in the CDs are responsible for the application and implementation of the chapters;
 - but, the customs authorities of the UK deal with requests and communications made under these chapters.

Essentially, therefore, this Paragraph applies to the CDs the Chapters, Annexes and Protocols which deal with "National Treatment and Market Access", "Rules of Origin", and "Customs and Trade Facilitation".

The content of these Chapters, Annexes and Protocols – the rights and obligations derived from them – are covered below in Section 8.

Related to the above, Paragraph 4 states:

"Article CUSTMS.9 [Authorised Economic Operators] of Chapter 5 [Customs and trade facilitation] of Title IV [Trade in goods] of Heading One of Part Two, ANNEX

CUSTOMS-1 [Authorised Economic Operators] and the Protocol on administrative cooperation and combating fraud in the field of Value Added Tax and on mutual assistance for the recovery of claims relating to taxes and duties shall not apply to the Bailiwick of Jersey or the Bailiwick of Guernsey."

This paragraph essentially carves out Jersey and Guernsey from the Annex on Authorised Economic Operators and the Protocol on mutual assistance in relation to VAT.

The Isle of Man is not carved out, and is therefore covered by these Provisions, because it chose to be. The benefits and the obligations are set out in more detail at section 8 below, but essentially, the reason why the Isle of Man is covered and the Channel Islands are not is because the Island already has some Authorised Economic Operators and wishes to retain the ability to for them to operate. In addition, the Island operates a VAT system, and does so in close cooperation with the UK. To provide mutual assistance presents no issue for the Island, and indeed aligns with its current commitments.

Paragraph 5 states that:

Chapters 3 [SPS] and 4 [TBT] of Title IV [Trade in goods] of Heading One of Part Two and the Annexes to those Chapters shall also apply, with respect to the United Kingdom, to the territories referred to in Article FINPROV.1(2) [Territorial scope]. The authorities of the territories referred to in Article FINPROV.1(2) [Territorial scope] shall be responsible for the application and implementation of these Chapters, and the Annexes to these Chapters, in their respective territories and relevant references shall be read accordingly. However, requests and communications made under these Chapters, and the Annexes to these Chapters, shall be administered by the authorities of the United Kingdom.

This paragraph –

- applies Chapters 3 (on Sanitary & Phyto-Sanitary measures) and Chapter 4 (on Technical Barriers to Trade) to the CDs
- makes clear that CD authorities are responsible for their implementation in their territories
 - but, again, states that requests and communications are made through the UK.

Paragraph 6 deals with the termination of the Agreement and states that:

Without prejudice to Article FINPROV.8 [Termination] and Article OTH.10 [Termination of Part Two] and unless agreed otherwise between the Parties, paragraphs 3 to 5 of this Article shall remain in force until the earlier of: (a) expiry of a period of three years following written notice of termination to the other Party; or (b) the date on which Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of Heading Five [Fisheries] in so far as it relates to the arrangements provided for in those Articles cease to be in force.

This means that –

- the Agreement (as it refers to goods) can be terminated after a period of three years, following a written request by the other party, or
- the date that any of the provisions which relate to the CDs in the fisheries heading cease to be in effect.

Essentially, therefore, this paragraph allows for either party to give notice of three years to terminate the Agreement, and it also links the goods access element of the Agreement to the fisheries access part of the Agreement.

In other words, there is no CD goods access to the EU without functioning EU fisheries access to CD waters.

Paragraph 7 further clarifies the termination provisions, and states that:

For the purposes of point (a) of paragraph 6, notice of termination may be given in respect of one or more of the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man and paragraphs 3 to 5 of this Article shall continue in force for those territories in respect of which a notice of termination has not been given.

This provision merely clarifies that:

- The Agreement may be terminated by one CD, or in respect of one CD, and in doing so, it may continue in effect for one or more of the other CDs.

Paragraph 8, similarly, clarifies the point made in part by of paragraph 6 and states –

Section 8 – For the purposes of point (b) of paragraph 6, if Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of Heading Five [Fisheries] in so far as it relates to the arrangements provided for in those Articles cease to be in force in relation to one or more (but not all) of the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man, paragraphs 3 to 5 of this Article shall continue to be in force for those territories in respect of which Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of Heading Five [Fisheries] in so far as it relates to the arrangements provided for in those Articles remain in force.

Similar to paragraph 7, this provision –

- Clarifies that the agreement in respect of goods may be terminated – on the basis that the fisheries access requirements are not met, in respect of one or more of the CDs, and it does not necessarily terminate the Agreement in respect of the other CDs

In summary, therefore, the provisions set out in this section apply chapters 1-5 of the Goods Heading in Section 2 of the Agreement to the Island, and therefore ensure that Isle of Man goods in trade with the EU are treated in the same manner as UK goods in trade with the EU.

It also clarifies the arrangements for the termination of the goods agreement, and establishes the link between continued fisheries access, and goods access.

7. FISHERIES

The fisheries heading (and associated Annexes) establishes the basis upon which vessels from the UK and the Crown Dependencies on the one hand, and the EU on the other, can access each other's waters, the amount and types of fish which can be taken, and the manner in which this activity is to be managed.

The provisions of the whole chapter can in some respects be read across the UK and CDs as a whole, but there are certain provisions which relate specifically to the CDs and, in respect of the issues those provisions cover, they carve the CDs out of the more general UK/EU provisions. In effect, this allows for the CDs to be treated differently from the UK as a whole.

It is worthwhile at this point clarifying that there is a difference between 'access' and 'quota', which are often conflated in the minds of many when fisheries policy is discussed. To clarify this point, 'access' relates to the right to fish in one another's waters whereas 'quota' relates to the type and amount of fish which can be taken.

Access is generally granted on a longer term and more stable basis, whereas quota is generally based on prevailing science, in that it is a reflection of the amount of stock which is present at a particular time, subject to seasonal and environmental fluctuations, and then attempts to share out that stock – in this case, between UK and EU vessels.

It is also worth being clear that there is no specific pool of Isle of Man quota. The UK negotiates quotas for various species on its own behalf, and the arrangements for sharing that quota between UK vessels – between the devolved administrations, and Crown Dependencies – is an internal matter with Crown Dependencies being viewed as part of the English fleet.

7.1. General Provisions – Definitions

Article FISH.3 sets out the definitions for the Heading, and states (amongst other things) –

(g) "waters" (of a Party) means: (i) in respect of the Union, by derogation from Article FINPROV.1(1)[Territorial scope], the EEZs of the Member States and their territorial seas; (ii) in respect of the United Kingdom, its EEZ and its territorial sea, excluding for the purposes of Articles FISH.8 [Access to waters], FISH.9 [Compensatory measures in case of withdrawal or reduction of access] and Annex FISH.4 [Protocol on access to waters] the territorial sea adjacent to the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man;

(h) "vessel" (of a Party) means: (i) in the case of the United Kingdom, a fishing vessel flying the flag of the United Kingdom, registered in the United Kingdom, the

Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man, and licensed by a UK fisheries administration;

This means that –

- Isle of Man waters (0-12 nautical miles from the shore) are in scope for this heading generally, but are not in scope for the provisions which relate to access to waters, compensation measures (where the UK effectively buys back EU quota) and the Annex (which sets out access to waters).
- This is because there is a paragraph which deals specifically with access to Isle of Man territorial waters, and so carves them out of the more general provisions of this heading
- Vessels registered by the Isle of Man Ship Registry are covered by the agreement.

7.2. CD-Specific Measures

Two particular articles deal with CD issues in particular. Article FISH.10 covers “Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man”, and Article FISH.11 on “Notification periods relating to the importation and direct landings of fisheries products”, which relates to the landing of fish products into EU (French) ports by vessels from the Channel Islands.

From an Isle of Man perspective, therefore, the most significant article in the Fisheries heading is Article FISH.10. For that reason, it is worth breaking down the Article into its constituent parts:

Paragraph 1 states that –

1. By derogation from Articles FISH.8(1) and (3) to (7) [Access to waters], FISH.9 [Compensatory measures in case of withdrawal or reduction of access] and Annex FISH.4 [Protocol on access to waters], each Party shall grant vessels of the other Party access to fish in its waters reflecting the actual extent and nature of fishing activity that it can be demonstrated was carried out during the period beginning on 1 February 2017 and ending on 31 January 2020 by qualifying vessels of the other Party in the waters and under any treaty arrangements that existed on 31 January 2020.

This paragraph means that –

- As mentioned above, the CDs are carved out of the general provisions relating to access to waters, compensation (for reduction of quota) and the Annex on access, as this Article deals with access to CD waters in particular.
- Access granted to vessels should reflect the fishing activities (“*the actual extent and nature of fishing activity*”), which can be demonstrated to have taken place during the reference period 1 February 2017 to 31 January 2020.

- Access can only be granted to 'qualifying vessels', which can demonstrate sufficient track record of having fished during this reference period in line with treaty arrangement that existed on 31 January 2020.
- For the Isle of Man, this means conditions as they existed under the London Fisheries Convention 1964⁴.

This paragraph is especially important, as it limits access to those vessels which had access previously – and in theory, that would have been any fishing vessel from Ireland, Belgium or France – and, in addition, limits access to those individual vessels which can prove that they have a track record of fishing in the Isle of Man's territorial waters, during the reference period.

The definitions are further qualified in paragraph 2 which states that –

2. For the purposes of this Article and, in so far as the other Articles in this Heading apply in relation to the arrangements for access established under this Article:

(a) "qualifying vessel" means, in respect of fishing activity carried out in waters adjacent to the Bailiwick of Guernsey, the Bailiwick of Jersey, the Isle of Man or a Member State, any vessel which fished in the territorial sea adjacent to that territory or that Member State on more than 10 days in any of the three 12 month periods ending on 31 January on, or between, 1 February 2017 and 31 January 2020;

(b) "vessel" (of a Party)" means, in respect of the United Kingdom, a fishing vessel flying the flag of the United Kingdom and registered in the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man, and licensed by a United Kingdom fisheries administration;

(c) "waters" (of a Party) means:

(i) in respect of the Union, the territorial sea adjacent to a Member State; and

(ii) in respect of the United Kingdom, the territorial sea adjacent to each of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man.

This means that –

- The term 'qualifying vessel' is further refined to mean that a vessel must be able to demonstrate 10 days of fishing activity for any one of the three 12 month periods ending on 31 January 2020.
- 'Vessel' and 'waters' are defined.

⁴ Although not explicitly elaborated within the text of the agreement itself, this means, in effect that qualifying vessels are limited to vessels from Ireland, Belgium and France. They each had, under the London Fisheries Convention, 1964, the right of access to certain portions of the Isle of Man territorial sea. In addition, the three different Member States had the right to fish for certain sea fish (significantly, not scallops).

This is another important provision, as it further defines what an EU vessel needs to demonstrate in order to be a 'qualifying vessel', and thus secure access to Isle of Man territorial waters.

Paragraph 3 introduces what has been referred to as the 'cooling off' clause, and it states that –

3. At the request of either Party, the Partnership Council shall decide, within 90 days of the entry into force of this Agreement, that this Article, Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provisions of this Heading in so far as they relate to the arrangements provided for in those Articles as well as paragraphs 3 to 5 of Article OTH.9 [Geographical application] shall cease to apply in respect of one or more of Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man, following 30 days from this decision.

This means that -

- Both sides – the CDs, and the EU – can ask to have the provisions of Article FISH.10 (and Article FISH.11 – see below) as the provisions in OTH.9 (which allows for goods access) to cease to apply

This was inserted to ensure that the CDs would be able to request that the agreement in respect of fisheries could cease to apply, should their legislature not agree to them. It is important to note that the Channel Islands' legal systems meant that their legislature had to approve the UK-EU Agreement as it applied to them.

Fisheries matters covered by the agreement are to be managed on an ongoing basis by a Partnership Council (see below). Paragraph 4 of the Article states that –

4. The Partnership Council may decide to amend this Article, Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provisions of this Heading in so far as they relate to the arrangements provided for in those Articles

This means that, like the rest of the Fisheries Heading, the Article which deals with the CDs – and other related provisions – can be amended in the light of experience.

It is worth noting that although, as Party to the Agreement, it is the UK which will represent the Isle of Man in the Partnership Council. When issues relating to the Isle of Man are to be discussed, DEFRA will involve Isle of Man officials or Ministers, as appropriate. This is in line with standard practice in relation to international agreements.

7.3. Fisheries Governance

The provisions which relate to remedial measures and dispute resolution are set out in Article FISH.14. There are different provisions in relation to UK-EU and CD-EU relations. The CD-EU provisions are contained within paragraph 2 and state that –

In relation to an alleged failure by a Party (the "respondent Party") to comply with Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey

and the Isle of Man], FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] or any other provision of this Heading in so far as it relates to the arrangements provided for in those Articles, the other Party ("the complaining Party"), after giving notice to the respondent Party:

(a) may suspend, in whole or in part, access to its waters within the meaning of Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man];

(b) if it considers that the suspension referred to in point (a) is not commensurate to the economic and societal impact of the alleged failure, it may suspend, in whole or in part, the preferential tariff treatment granted to fisheries products under Article GOODS.5 [Prohibition of customs duties];

(c) if it considers that the suspension referred to in points (a) and (b) is not commensurate to the economic and societal impact of the alleged failure, it may suspend, in whole or in part, the preferential tariff treatment of other goods under Article GOODS.5 [Prohibition of customs duties];

and by way of derogation from paragraph 1, remedial measures affecting the arrangements established under Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] or any other provision of this Heading in so far as it relates to the arrangements provided for in those Articles may not be taken as a result of an alleged failure by a Party to comply with provisions of the Heading unconnected to those arrangements.

The paragraph allows for both parties (the UK on behalf of the CDs) and the EU to take certain action if access to territorial waters as set out in Article FISH.10 is not permitted in appropriate way.

There is scope to take differing actions, depending on the seriousness of the breach.

In the first instance, it would mean the CDs or EU suspending access to their waters for the other's vessels. If that was not strong enough, then it might result in the imposition of, in the first instance, tariffs on fisheries products, and if that failed, on all goods. In reality, it may be relatively straightforward to exclude CD vessels from EU waters, but imposing tariffs on CD fish products, or all goods, may be more difficult (but not impossible).

The governance of how these remedial actions might be taken is set out in paragraphs 3 and 4, which state that –

3. Measures referred to paragraphs 1 and 2 shall be proportionate to the alleged failure by the respondent Party and the economic and societal impact thereof.

4. A measure referred to in paragraphs 1 and 2 may take effect at the earliest seven days after the complaining Party has given the respondent Party notice of the proposed suspension. The Parties shall consult within the Specialised Committee on Fisheries with a view to reaching a mutually agreeable solution. That notification shall identify:

(a) the way in which the complaining Party considers that the respondent Party has failed to comply;

(b) the date upon which the complaining Party intends to suspend; and

(c) the level of intended suspension.

As it says, the measures taken have to be proportionate, and the complainant must consult with the Specialised Committee on fisheries, setting out the nature of the complaint and what action they are taking, and when.

An arbitration panel must be set up under the provisions outlined in Article FISH.16 on the Specialised Committee on Fisheries. This requirement is clarified as follows –

5. The complaining Party must, within 14 days of the notification referred to in paragraph 4 challenge the alleged failure by the respondent Party to comply with this Heading, as referred to in paragraphs 1 and 2, by requesting the establishment of an arbitration tribunal under INST.14 [Arbitration Procedure] of Title I [Dispute settlement] of Part Six. Recourse to arbitration under this Article shall be made without having prior recourse to consultations under Article INST.13 [Consultations]. An arbitration tribunal shall treat the issue as a case of urgency for the purpose of Article INST.19 [Urgent proceedings] of Title I [Dispute settlement] of Part Six.

6. The suspension shall cease to apply when:

(a) the complaining Party is satisfied that the respondent Party is complying with its relevant obligations under this Heading; or

(b) the arbitration tribunal has decided that the respondent Party has not failed to comply with its relevant obligations under this Heading.

7. Following a finding against the complaining Party in the procedure referred to in paragraph 5, the respondent Party may request the arbitration tribunal, within 30 days from its ruling, to determine a level of suspension of obligations under this Agreement not exceeding the level equivalent to the nullification or impairment caused by the application of the compensatory measures, if it finds that the inconsistency of the compensatory measures with paragraphs 1 or 2 is significant. The request shall propose a level of suspension in accordance with paragraphs 1 or 2 and any relevant principles set out in Article INST.34C [Suspension of obligations for the purposes of OTHS.3.12(12), Article FISH.9(5) and Article FISH.14(7)]. The respondent Party may apply the level of suspension of obligations under this Agreement in accordance with the level of suspension determined by the arbitration tribunal, no sooner than 15 days following such ruling.

8. A Party shall not invoke the WTO Agreement or any other international agreement to preclude the other Party from suspending obligations under this Article.

These provisions, therefore, ensure that there is recourse to arbitration on the matter, as provided for by the Special Committee (see below).

The Specialised Committee on Fisheries has a number of functions, and these are set out in Article FISH.16 as follows –

1. The Specialised Committee on Fisheries may in particular:

(a) provide a forum for discussion and co-operation in relation to sustainable fisheries management;

(b) consider the development of multi-year strategies for conservation and management as the basis for the setting of TACs and other management measures;

(c) develop multi-year strategies for the conservation and management of non-quota stocks as referred to in paragraph 2(b) of Article FISH.8 [Access to waters];

(d) consider measures for fisheries management and conservation, including emergency measures and measures to ensure selectivity of fishing;

(e) consider approaches to the collection of data for science and fisheries management purposes, the sharing of such data (including information relevant to monitoring, controlling and enforcing compliance), and the consultation of scientific bodies regarding the best available scientific advice;

(f) consider measures to ensure compliance with the applicable rules, including joint control, monitoring and surveillance programmes and the exchange of data to facilitate monitoring uptake of fishing opportunities and control and enforcement;

(g) develop the guidelines for setting the TACs referred to in paragraph 5 of Article FISH.7 [Provisional TACs];

(h) make preparations for annual consultations;

(i) consider matters relating to the designation of ports for landings, including the facilitation of the timely notification by the Parties of such designations and of any changes to those designations;

(j) establish timelines for the notification of measures referred to in Article FISH.4(3) [Fisheries management], the communication of the lists of vessels referred to in Article FISH.5(1) [Authorisations, compliance and enforcement] and the notice referred to in Article FISH.6(7) [Fishing opportunities];

(k) provide a forum for consultations under Article FISH.9(2) [Compensatory measures] and Article FISH.14(4) [Remedial measures];

(l) develop guidelines to support the practical application of Article FISH.8 [Access to waters];

(m) develop a mechanism for voluntary in-year transfers of fishing opportunities between the Parties, as referred to in Article FISH.6(8)[Fishing Opportunities]; and

(n) consider the application and implementation of Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man] and Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products].

2. The Specialised Committee on Fisheries may adopt measures, including decisions and recommendations:

(a) recording matters agreed by the Parties following consultations under Article FISH.6 [Fishing opportunities];

(b) in relation to any of the matters referred to in points (b), (c), (d), (e), (f), (g), (i), (j), (l), (m) and (n) of paragraph 1 of this Article;

(c) amending the list of pre-existing international obligations referred to in paragraph 2 of Article FISH.4 [Fisheries management]

(d) in relation to any other aspect of co-operation on sustainable fisheries management under this Heading; and

(e) on the modalities of a review under Article FISH.18[Review].

3. The Partnership Council shall have the power to amend Annexes FISH.1, FISH.2, and FISH.3.

As is set out, the Specialised Committee has wide-ranging powers in respect of the operation of the fisheries heading, and will therefore undertake an important role in the future management of UK and EU fisheries. Paragraph 1(n) refers in particular to Article FISH.10 which relates to the CDs.

7.4. Fisheries Termination

The provisions which govern the termination of the fisheries heading are set out in Article FISH.17: Termination. They include in particular a provision which relates to the CDs and echoes the termination provisions in Article OTH.9(6):

4. By way of derogation from paragraphs 1 to 3 and without prejudice to Article FINPROV.8 [Termination] or Article OTH.10 [Termination of Part Two]:

(a) unless agreed otherwise between the Parties, Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of this Heading in so far as it relates to the arrangements provided for in those Articles, shall remain in force until:

(i) they are terminated by either Party giving to the other Party three years' written notice of termination; or

(ii) if earlier, the date on which paragraphs 3 to 5 of Article OTH.9 [Geographical application] cease to be in force;

(b) for the purposes of paragraph 4(a)(i), notice of termination may be given in respect of one or more of the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man and Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of this Heading in so far as it relates to the arrangements provided for in those Articles, shall continue to be in force for those territories in respect of which a notice of termination has not been given; and

(c) for the purposes of paragraph 4(a)(ii), if paragraphs 3 to 5 of Article OTH.9[Geographical application] of the Agreement cease to be in force in relation to one or more (but not all) of the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man, Article FISH.10 [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man], Article FISH.11 [Notification periods relating to the importation and direct landing of fisheries products] and any other provision of this Heading in so far as it relates to the arrangements provided for in those Articles, shall continue to be in force for those territories in respect of which paragraphs 3 to 5 of Article OTH.9 [Geographical application] remain in force.

This provision performs the same function as the termination provisions in the 'goods' section as it relates to the CDs. It replicates the requirement to give three years' written notification for termination of the agreement, or if paragraphs 3 to 5 of the OTH.9 (on goods) cease to have effect. It is the mirror of the termination provision in OTH.9 which links goods access to fisheries access.

Finally, Article FISH.19 sets out the relationship between the Fisheries Heading and other agreements.

1. Subject to paragraph 2, this Heading shall be without prejudice to other existing agreements concerning fishing by vessels of a Party within the area of jurisdiction of the other Party.

2. This Heading shall supersede and replace any existing agreements or arrangements with respect to fishing by Union fishing vessels in the territorial sea adjacent to the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man and with respect to fishing by United Kingdom fishing vessels registered in the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man in the territorial sea adjacent to a Member State. However, in case the Partnership Council has taken a decision in accordance with Article 10(3) [Access to waters of the Bailiwick of Guernsey, the Bailiwick of Jersey and the Isle of Man] for the Agreement to cease to apply in respect of the Bailiwick of Guernsey, the Bailiwick of Jersey or the Isle of Man, the

relevant agreements or arrangements shall not be superseded and replaced in respect of the territory or territories for which such a decision has been taken.

The Agreement therefore replaces arrangements in respect of access to territorial waters. However, it also makes clear that if the Partnership Council takes a decision that the Agreement shall cease to apply then the agreements shall continue to have effect.

7.5. Summary

The manner in which fisheries provisions apply to the Isle of Man are set out in article FISH.10, and ensure that those EU vessels which have traditionally derived a portion of their income from fisheries in Isle of Man waters will continue to be able to do so. The onus is upon relevant Member States to provide a list of 'eligible vessels', and on the owners of those vessels to demonstrate a track record of fishing effort in the area, when applying a licence to fish in Isle of Man waters.

As has been covered in section 5 on the negotiations process, the Isle of Man achieved its objectives in terms of the access it was willing to grant to Isle of Man waters, in return for tariff-free access to the EU market for goods.

The three main negotiating principles set out by the Council of Ministers in their mandate had been met, namely –

- Sustainability – fisheries managed in a sustainable manner
- Access – for EU vessels to Isle of Man waters not in excess of current levels
- Management – the Isle of Man to manage its own waters

These principles are reflected in the text of the Agreement.

8. THE GOODS CHAPTERS

One of the Isle of Man Government's strategic objectives was to ensure that – once the UK had left the EU – Manx goods would be treated in the same or similar manner to UK goods when entering the EU market. To this end, the Isle of Man sought to be covered by various chapters of the Goods Title of the Agreement.

This was achieved, and is set out in the Territorial Extent Clause, as described above. The TCA agreed with the EU states that the five Chapters and three Annexes/Protocols apply to the Island.

These Chapters cover the following:

- a. National Treatment and Market Access (Chapter 1)
- b. Rules of Origin (2)
- c. Sanitary and Phytosanitary (SPS) provisions (3)

d. Technical Barriers to Trade (TBT) (4)

e. Customs Facilitation (5)

i. Annex: Approved Economic Operators

ii. Annex: Protocol on Mutual Administrative Assistance in Customs Matters

iii. Annex: Protocol on administrative cooperation and combating fraud in the field of VAT and mutual assistance for the recovery of claims relating to certain duties and taxes.

In addition, there are a number of Annexes appended to the TBT Chapter, and one which relates to SPS checks at the border.

The texts of the Chapters and Annexes were reviewed by Isle of Man Government officials from relevant Departments and HM Attorney General's Chambers. The Officers were able to ensure that they were content that there were no provisions contained within the texts that would cause the Island any difficulties in respect of compliance. They were able to do so, and indeed to do so relatively quickly, for two main reasons:-

- firstly, because Isle of Man Government officials had been working on a "no surprises" basis which meant that Isle of Man officials worked closely with their UK counterparts, as texts were developed. This meant that UK officials responsible for negotiating the text were, therefore, able to understand if there were potential issues for the Isle of Man, and in order to do so, they developed a broad understanding of the Island's laws and processes;
- secondly, because the emerging deal was, ultimately, relatively "thin". That meant that the UK started with a modest level of ambition and was not prepared to accept substantive ongoing alignment with the EU or onerous obligations. This resulted in an Agreement that is relatively limited in terms of the commitments made.

In addition, it is worth remembering that compliance with the entire chapter, as well as being 'cleaner' in terms of its simple application to the Island, was also more negotiable. A straightforward application of the entire goods title, as well as meeting the Island's objective of ensuring that Isle of Man goods were to be treated in exactly the same manner as UK goods, also meant that it was able to achieve this in negotiations without the need to open or to amend text to accommodate Isle of Man specific measures. Otherwise, these would have been troublesome and could have led to potentially different treatment of Manx products.

The main characteristics of each of the chapters, Annexes and Protocols, and how they will impact the Isle of Man, are set out below. The summaries, which have been italicised, have been taken from the UK publication "UK-EU Trade and Cooperation Agreement – Summary", published in December 2020.

8.1. Title I – Trade In Goods ⁵

Chapter 1 – National treatment and market access for goods (including trade remedies)

The Agreement establishes zero tariffs or quotas on trade between the UK and the EU, where goods meet the relevant rules of origin. The Chapter includes provisions which reaffirm, incorporate and build upon WTO commitments and principles, facilitate trade, and address non-tariff barriers (such as import and export licensing restrictions). It also ensures that trade remedy measures are investigated and applied in a proportionate and transparent manner.

The Isle of Man, by virtue of its customs union with the UK, must, in any event, apply the same tariffs on goods as the UK. In a similar manner, and again because of its customs union with the United Kingdom, the Isle of Man applies the same import and export prohibitions and restrictions as the UK.

Although the Isle of Man does not have its own trade remedies body, any trade remedies applied by the UK (such as an anti-dumping duty on a particular product from a particular country) would apply automatically to the Isle of Man through the UK tariff, which is applied in the Isle of Man.

Chapter 2 – Rules of origin

The UK and EU have agreed a rules of origin Chapter which contains modern and appropriate rules of origin ensuring that only 'originating' goods are able to benefit from the liberalised market access arrangements agreed in the TCA, while reflecting the requirements of UK and EU industry. For example, the RoO we have agreed for batteries and electric vehicles will ensure that UK-made electric vehicles are eligible for preferential tariff rates, supporting our move towards Net Zero.

The Chapter also provides for full bilateral cumulation (cumulation of both materials and processing) between the UK and the EU, allowing EU inputs and processing to be counted as UK input in UK products exported to the EU and vice versa. The ambitious arrangements include facilitations on average pricing, accounting segregation for certain products, as well as all materials, and tolerance by value. The rules are also supported by predictable and low cost administrative arrangements for proving origin.

The Isle of Man wished to be included in these provisions in order that it be abundantly clear that any components manufactured in the Isle of Man and used in products assembled in the UK would be classed as UK origin. Similarly, the rules on cumulation mean that Isle of Man components which are produced for use in EU markets may be classed as EU/UK origin.

⁵ Text in italics is taken from the UK's published UK EU TCA explainer - <https://www.gov.uk/government/publications/agreements-reached-between-the-united-kingdom-of-great-britain-and-northern-ireland-and-the-european-union/summary-explainer>

Inclusion within this provision helps to ensure that Isle of Man components, or UK goods which include Isle of Man components, destined for EU markets are all treated in the same manner.

Chapter 3 – Technical Barriers to Trade (TBT)

This Agreement includes a TBT Chapter which addresses regulatory barriers to trade between the UK and EU, while allowing both Parties the freedom to regulate goods in the way most appropriate for their own market. This Chapter builds on the WTO TBT agreement and includes provisions on technical regulation, conformity assessment, standardisation, accreditation, market surveillance and marking and labelling.

The Agreement also envisages arrangements to share information on dangerous and non-compliant products on the UK and EU markets. Combined with operational cooperation between UK and EU market surveillance authorities, this exchange of information will help both Parties better protect their consumers.

As has been mentioned in previous sections, the UK Government was clear that it did not want to remain aligned to, or have to follow, EU regulatory standards. It is therefore important to understand that this chapter does not require the alignment of regulation, but merely ensures that no unreasonable regulatory measures are put in place which might act as a barrier to trade.

In addition, it ensures that conformity assessments by certain (but not all) standards bodies in the UK and EU may continue to be recognised by the other party, where this is seen to be appropriate.

Because the Isle of Man a very small economy, it relies on imports for the majority of its products, and as a result, it also relies on products standards and assessments set elsewhere. It is the case for example, that vehicles imported into the Island must meet vehicle type approval and thus emissions and crash test standards set in the UK and EU. Similarly, where product standards are prescribed in the Isle of Man, they generally will follow standards set in the UK.

In addition, and flowing from the above, products manufactured in the Isle of Man made for the UK or EU market, will (as they were previously) need to be tested (where appropriate) and meet with UK and EU standards and where appropriate carry the new UK CA mark or the EU's existing CE mark.

This chapter, therefore, does not impose any additional restrictions on the Isle of Man which it would not normally meet where its products have to conform to particular market standards, albeit some businesses may need to change their export labelling or conformity assessment bodies in some instances.

TBT Annexes

In line with common FTA practice, the TBT Chapter also includes a number of sector-specific Annexes which seek to promote cooperation and tackle barriers to trade in the automotive, chemical, pharmaceutical, organic products and wine sectors.

The Isle of Man does not have significant activity in any of these sectors, although it could be that there is an interest in the future, especially for medicines and organics. However, as has been noted in respect of the general TBT provisions above, the Annexes do not prescribe specific standards, they merely prevent the erection of artificial barriers to trade, refer to common international (UN) standards, agree common standards (as with organics and wine) or agree to recognise each other's testing regimes (as for medicinal products).

Annex on medicinal products

This Annex aims to facilitate availability of medicines, promote public health and protect high levels of consumer and environmental protection in respect of medicinal products. It provides for mutual recognition of Good Manufacturing Practice (GMP) inspections and certificates, meaning that manufacturing facilities do not need to undergo separate UK and EU inspections, as well as ongoing co-operation.

Annex on motor vehicles and equipment and parts thereof

The objective of the Annex is to eliminate and prevent unnecessary barriers to trade in motor vehicles and parts. It confirms that the Parties will mutually recognise approvals based on UN regulations. It establishes dedicated cooperation mechanisms to address regulatory barriers, and provides for information exchange to support activities including market surveillance.

Annex on organic products

The Annex will provide for an equivalence agreement between the UK and EU. This means products that are certified as organic in one market will be recognised as organic in the other. There are also wider benefits, including provisions for effective regulatory cooperation to combat fraud, upholding the integrity of our organics production and control systems, and collaboration on the future development of organic standards.

Annex on trade in wine

The Annex provides for simplified certification, documentation, labelling and packaging requirements for the imports of wine produced in the other Party, reducing costs for exporters and consumers. It also sets out requirements to share information and to jointly review the agreement in future with a view to further facilitating trade in wine.

Annex on chemicals

The Annex seeks to facilitate trade in chemicals, ensure high levels of environmental and health protection and provides for cooperation between authorities. It includes

joint commitments to comprehensive implementation of international classification and labelling rules as well as commitments to ongoing cooperation and information exchange.

Chapter 4 – Sanitary and Phytosanitary (SPS) Measures

This Agreement includes an SPS Chapter which ensures that the UK and the EU can maintain fully independent SPS rules to protect human, animal and plant life and health, preserving each Party's right to independently regulate, while not creating unjustified barriers to trade. This is standard practice in free trade agreements.

The Chapter includes commitments on regionalisation, which enables UK and EU trade to continue from disease or pest-free areas. Together with provisions on rapid notification and emergency measures, this will help both Parties to move quickly to protect their consumers, animals and plants during disease and pest outbreaks and food and feed safety incidents, while minimising the impacts on trade.

The Chapter also establishes a framework for cooperation on the fight against antimicrobial resistance, protecting animal welfare and sustainable food systems. All of these are areas where the UK and the EU are global leaders.

The Chapter includes bespoke arrangements for the UK and the EU to hold regular, joint reviews of their respective SPS border controls. The aim of these reviews is to see if each Party can further facilitate trade without compromising biosecurity.

In order to maintain free and open trade in agricultural goods between the Isle of Man and the UK, the Isle of Man will maintain alignment (in terms of effect) with UK standards. Similarly, in order to be able to export produce to the EU, the Island must maintain a degree of alignment with EU standards (in order to secure approved third country listing).

Chapter 5 – Customs and Trade Facilitation (CTF)

The Agreement is based on the WTO Trade Facilitation Agreement and the World Customs Organisation (WCO) Revised Kyoto Convention and provides for efficient customs arrangements covering all trade in goods. As well as facilitating trade, the Agreement ensures that the customs authorities of both Parties remain able to protect their respective regulatory, security and financial interests.

The CTF Chapter includes measures to facilitate legitimate trade by addressing administrative barriers for traders, including through mutual recognition of 'trusted trader' (AEO) schemes. This includes provisions to support the efficiency of documentary clearance, transparency, advance rulings and non-discrimination. We have agreed measures that are bespoke to the UK-EU trading relationship, such as cooperation at 'roll-on roll-off' ports like Dover and Holyhead and also on exploring the possibility of sharing import and export declaration data, including by setting up

pilot programmes where appropriate. This aims at reducing administrative burdens on business in the longer term.

The core provisions on CTF are accompanied by additional Protocols and an Annex to provide for specific forms of cooperation and trade facilitation.

Protocol on mutual administrative assistance on customs matters

This Protocol enables the Parties to work together while upholding their respective customs regimes, to safeguard revenue and prevent fraud through efficient and reciprocal exchange of information and mutual assistance across customs matters.

This Protocol maintains the ability to share information and provide assistance to the EU, and vice versa, on customs matters in order to protect customs duties revenue and prevent fraud.

Annex on Authorised Economic Operators (AEOs)

This Annex provides for the mutual recognition of the Parties' respective Authorised Economic Operator security and safety schemes. As a result, AEOs assessed and recognised under either the UK or EU scheme will face fewer controls relating to safety and security when moving their goods between the UK and the EU, facilitating trade and flow at the border.

The Authorised Economic Operator (AEO) scheme has been in place for a number of years, and approved AEO operators can benefit from more efficient customs clearances, enabling goods to move more quickly across the border. This Agreement allows for the ongoing mutual recognition of the AEO scheme between the UK/IOM-EU. Imports into, and exports from, the Island are declared using UK systems, and therefore any advances in those systems will be reflected here.

Protocol on administrative cooperation and combating fraud in the field of Value Added Tax and on mutual assistance for the recovery of claims relating to taxes and duties

This Protocol builds on existing international agreements, including the OECD Convention on Mutual Administrative Assistance in Tax Matters. It will enable UK and EU authorities to cooperate and exchange information relating to VAT, including for the purpose of combating VAT fraud. The Protocol will also allow for either Party to make a request of the other to recover unpaid customs duties, excise or VAT on its behalf.

This Protocol maintains the ability to share information and provide assistance to the EU, and vice versa, on VAT matters in order to protect VAT revenue and prevent VAT fraud. The Protocol also allows for the continuing ability to request assistance from the EU to recover debts that relate to customs or excise duty, or VAT, where, for example, a debtor is established in the EU. The EU will also be able to seek assistance from the Island in recovering such debts from those who may be established here.

9. WHAT DOES IT MEAN?

9.1. For The Various Sectors of the Isle of Man Economy?

The practical implications of the UK leaving the EU are perhaps most significant in relation to changes in customs arrangements. Although the Isle of Man remains in customs union with the UK, the UK (and Isle of Man) have left the EU's customs union.

This means that goods despatched from the Isle of Man or UK into the EU become exports while goods arriving from the EU into the UK or Isle of Man become imports rather than acquisitions. This attaches different legal and indirect tax consequences to the respective parties, and must be the same as for imports and exports traded with Rest of World countries. For UK and Isle of Man businesses doing cross border European trade it has meant complying with some different customs arrangements such as obtaining EORI (identification) numbers, making customs declarations and potentially seeking customs agent support to handle documentation with some associated additional cost.

In the case of local manufacturers and others potentially affected, they have also been encouraged by Government communications throughout the Brexit journey to be prudent and prepared in reassessing the security of cross-border supply chains, considering their customer contract terms and recognising the possible need for changing their labelling, conformity assessment arrangements and so on, so as to be aware of and prepared for the likely practical ramifications of the TCA as far as possible.

The main consideration is that the securing of full Isle of Man goods participation in the TCA on the same terms as the UK has enabled the ability to claim preferential low or zero tariffs on the same terms and thus helps safeguard local employment and GDP contributed by those manufacturers who already trade with Europe.

In addition to customs matters, the Island is no longer in full regulatory alignment with the EU in terms of agricultural and fisheries products, and so more documentation has to be supplied in order to ensure that Isle of Man produce can enter the EU market. This additional friction has, in the initial stages, caused some difficulties for Isle of Man producers/exporters.

9.2. What about Jersey and Guernsey?

Because of the nature of the constitutional relationship between the UK and the Isle of Man, which is very close to that of the other Crown Dependencies, Jersey and Guernsey, but different from Gibraltar, and the other Overseas Territories, the UK negotiated on behalf of the Crown Dependencies as a group.

And, although the economies of the CDs are similar, the Isle of Man manufacturing sector, and its agricultural and fisheries sectors are, although of a similar size, different in nature/character.

There are, therefore, some differences between the Isle of Man and the Channel Islands, as they have been relevant to the Brexit process.

Historically, the Isle of Man has a long-standing customs and excise agreement with the UK, and also a revenue-sharing agreement, which means that the Isle of Man has levied VAT in a similar manner to the UK (and the rest of the EU). Because the Isle of Man has these long-standing arrangements in place, it has been able to – and indeed has wanted to – be included within the scope of the Protocols relating to mutual assistance and debt recovery in respect of VAT, and also, the arrangements on Approved Economic Operators (both of which are covered above). Jersey and Guernsey have not levied VAT in the past, and therefore have been carved out of these provisions, albeit with a separate declaration to develop a similar system to allow for recovery of EU debts.

It is for this reason that although there were never any customs duties levied on trade between the Channel Islands and the UK, they have only just entered into customs union with the UK, which became effective from 1 January 2021.

Geographically, because of their proximity to France, the Channel Islands conduct more direct trade with the EU, whereas the majority of the Isle of Man's trade is conducted via the UK. Their location also affects fishing arrangements, with many more EU (French) vessels fishing in their territorial waters than are seen in Isle of Man territorial waters (mostly Irish vessels). In addition, and again because of their geography, many Channel Island fishers land their catch in EU (French) ports, and it is for that reason that there is an extra chapter in the fisheries title FISH.11 which allows specifically for those landings to continue.

10. WHAT ABOUT OTHER PARTS OF THE AGREEMENT (WHICH DO NOT APPLY)?

The elements of the agreement which do not apply to the Island are not necessarily relevant. They cover areas of EU policy which, even when Protocol 3 was in place, did not cover the Island.

However, there is some relevance to the Island when the changing position of the UK is put into context. For example, although never part of the EU single market for services, including financial services, Isle of Man financial institutions with parents in the EU (of which there are just a few) potentially benefit indirectly from that parent's close tie to the EU. An example here is life insurance, where EU group reporting requires regulatory adherence to Solvency II Directive principles. In practice, the Financial Services Authority in the Isle of Man has been progressively adopting a strategy which enables such companies to meet broadly with these requirements, in keeping with other international principles, which while not conveying market access per se, nevertheless enables the desired regulatory outcomes to be attained for group purposes.

Some of the elements of the agreement which may be relevant to the Isle of Man are considered here.

10.1. Financial Services

The Isle of Man has always been a third country to the EU for financial services while its relationship was governed by Protocol 3, and the UK has similarly now become a third country for financial services, thereby losing its coveted 'passporting' rights of market access for such services. The rights of access as a third country are largely governed by a unilateral equivalence process (which is not actually governed by the TCA) and by which a country's regulations (across up to 40 areas of different services) are assessed for equivalence pending a political sign-off. In the case of the UK, given its 100% alignment as a Member State prior to exit, the process had been expected to be concluded by mid-summer 2020, but expectations are that this will not now be forthcoming for the UK until well into 2021.

As a third country, the Isle of Man is theoretically similarly able to apply, although in practice the EU has not been prepared to entertain applications from other countries for some time pending an overhaul of this system. Meanwhile, while the UK believes its unique position makes it a special case, damage is widely reported to have occurred to the City of London through loss of business to Europe due to the loss of market access. Since the Isle of Man has never depended on Europe for such business and has sought out other international markets such as the Middle and Far East, its financial services sector is hardly affected.

Moreover, free trade agreements generally may express ambition to support trade in financial services and regulatory transparency but then often defer to regulatory bodies to set their own prudential parameters for how they license or permit access to their country's markets.

Nevertheless, as to potential opportunities for financial services, all eyes are on the possibility that, as the UK secures new trade deals, future potential participation in these FTAs alongside the UK may potentially extend that part of their ambition to include the Isle of Man in the relevant services as well as goods chapters, thereby enhancing the Island's opportunities for cross-border investment potentially in both directions. This is further explained below.

DfE has for some time also been researching opportunities that might result from the UK's exit from the EU and has identified potential opportunities for financial services, particularly in insurance.

Certain rights of market access to the UK were afforded to EEA-based and authorised insurers prior to 31 December 2020, which are now no longer available, requiring such insurers to now secure a separate authorisation in the UK.

The Isle of Man's established rights of UK access afford an alternative way forward for such insurers and local regulatory and marketing preparations have been made to ensure that the Isle of Man is poised to capture some of this business.

10.2. Data Protection

Although never covered by the EU's data protection rules, the Isle of Man has, nevertheless, decided voluntarily to implement them in order to obtain what is known as a data adequacy decision from the EU. This allows for the free exchange of data between the Island and EU Member States, including, previously, the UK.

The EU updated its Data Protection regime when the General Data Protection Regulation (GDPR) and associated Law Enforcement Directive came into force and the Island similarly updated its law to reflect the content of the GDPR.

The UK, upon leaving the EU, must obtain its own adequacy decision, and it is in the process of doing so⁶. The Isle of Man, likewise, is being assessed in order to review its own adequacy status.

Having left the EU, the UK has stated that it will not only continue to recognise the adequacy status of those defined as such by the EU (including the Isle of Man) but it would also establish its own system for assessing adequacy, against which the Isle of Man will also, ultimately, be assessed.

10.3. Joint Political Declaration on Countering Harmful Tax Regimes⁷

In addition to the main Trade and Cooperation Agreement itself, the UK and the EU signed a number of declarations, which sit alongside it. One such declaration covers the intention to co-operate in respect of countering harmful tax regimes.

The declaration reproduces the key principles which have been developed by both the EU (through its Code of Conduct Group) and the OECD in combating harmful tax practices.

It seeks to ensure, on the EU's behalf certainly, that the UK commits to not to try to gain an unfair competitive advantage.

Although not named, the Isle of Man is implicated in the paragraph where it states that "*The Participants should encourage, within the framework of their constitutional arrangements, the application of these principles in the territories for which they have special responsibilities or taxation prerogatives*".

These principles are aligned with those of the OECD and the EU Code Group, and as such are already accepted and followed by the Isle of Man. Whilst this declaration places an obligation upon the UK, rather than on the Isle of Man itself, in this case the Isle of Man Government does not consider this declaration to be of concern.

⁶ In February 2021 the European Commission published a draft data adequacy decision on the UK, finding it to be adequate, but this decision has not yet been approved by EU Member States and formally ratified by the Commission.

⁷

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/948105/EU-UK_Declarations_24.12.2020.pdf

It is an area which leads, however, to potential concerns more broadly, in that now the UK has left the EU, its influence on EU policy has ended, and it cannot, therefore temper some of the bolder moves which the EU may wish to take in respect of tax policy.

10.4. Air Services

When the UK was an EU Member State the provisions of the EU Treaties relating to the provision of air transport services did not apply to the Isle of Man and the provisions of the TCA relating to air transport also do not apply to the Island.

Similarly, the EU's air services with other countries did not apply to the Island. However, the UK has been seeking to negotiate new air agreements with non-EU countries with which it previously had agreements by virtue of being an EU Member State. In negotiating these new bilateral air services agreements the UK has using a form of territorial extent provision that includes the Crown Dependencies and Overseas Territories. These agreements largely deal with scheduled air services with countries with which the Isle of Man has no direct flights so it is not clear whether any opportunities will flow from these new agreements but the Isle of Man is content to be included within their scope.

11. The rest of the world

One of the perceived benefits of the UK's departure from the EU was that it would be able to negotiate Free Trade Agreements with other countries in its own right, rather than relying on the EU to do it as a bloc. In addition, although theoretically an individual Member of the World Trade Organisation (WTO) during its time as an EU member, the UK would, once it had left the EU, be free to exercise its full role as an influential member of the WTO.

This section of the report covers those elements of the UK's future trade policy as they relate to Free Trade Agreements with other countries, and how they might apply to, and benefit, the Isle of Man.

11.1. Rest of World Free Trade Agreements

Continuity Agreements

The EU⁸ has itself negotiated and signed numerous Trade Agreements of varying depth with 76 countries around the world. They fall into three main categories as follows –

1. Customs Unions
 - eliminate customs duties in bilateral trade, and;
 - establish a joint customs tariff for foreign importers.

⁸ A full list of EU trade agreements, in varying stages of negotiation, can be found at the following link - https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/#_in-place

2. Association Agreements, Stabilisation Agreements, (Deep and Comprehensive) Free Trade Agreements and Economic Partnership Agreements
 - remove or reduce customs tariffs in bilateral trade.
3. Partnership and Cooperation Agreements
 - provide a general framework for bilateral economic relations, and;
 - leave customs tariffs as they are.

Upon ceasing to be a Member State, the UK sought to roll forward all existing EU trade agreements, in order to ensure that it continued to benefit from the preferential trade terms set out in the agreements. It could not enter into formal discussions until it had ceased to be a Member State, but equally, agreements needed to be ready to roll over in advance of the 31 December 2020 deadline, when the Transition Period ended. This did not leave time to 'open up' those agreements and amend or seek to alter their terms.

The UK sought to roll forward the agreements, therefore, in exactly the same form as when they covered the UK as an EU member, and at the time of writing agreements with some 60 countries are either in force or have provisional application.

Application of continuity agreements to the Isle of Man

Due to the nature of the process, and in particular the fact that the agreements were not being altered in terms of their scope, (merely the signatory state was being amended), they could not, therefore, be amended in terms of their territorial application.

EU Free Trade Agreements only ever applied to the Isle of Man to the extent that the EU Treaties applied to the Isle of Man – that is to say they were limited to matters covered by Protocol 3. In effect, the provisions which related to goods in trade between the EU customs territory on the one hand, which included the Isle of Man, and the customs territory of the other party, applied to the Isle of Man.

This means that the continuity agreements which have been rolled forward by the UK continue to have effect in respect of the Isle of Man to the same extent as the EU agreements on which they were based. In some cases, this is made explicit in the text, in others, it is not, but their given effect remains the same.

Opportunities to open up these agreements for a broader coverage – beyond trade in goods – for the Isle of Man, has not been possible. However, should the UK see fit to open up a particular agreement, and the partner country is willing, then it may be possible to extend the extent to which the Island might be covered at that stage.

Hybrid (continuity/re-negotiated agreement) – Japan

The Japanese Government determined that they could not, for legal/constitutional reasons, roll forward their agreement with the EU for the UK without it being re-examined, and presented to their parliament once more for ratification.

This did open up the possibility for the Isle of Man to be covered by provisions which went beyond the scope of trade in goods and customs matters. However, due to the speed of the negotiations, which had to be completed in a matter of weeks, it was not possible to do this before the agreement was ratified.

In this instance, then, the agreement continued to cover trade in goods between the Isle of Man and Japan (as the EU agreement had previously), but included in the text was a 'permissive extent provision' which meant that once the text had been agreed, the Isle of Man and the other Crown Dependencies could seek to have other provisions extended, by exchange of diplomatic notes. In other words, it would be possible to extend the agreement to cover the Island, for example for provisions relating to services or intellectual property, without having to re-open the whole text, and re-launch formal negotiations.

This is the first time that such a provision has been included in a Free Trade Agreement, and represents an opportunity for the Island to develop further trade links with Japan in the services sector and therefore is a subject of live discussion with the UK.

New Agreements and CPTPP

The UK has launched trade negotiations with the US, Australia, and New Zealand. Although they are each progressing at a different pace, it is possible that each of these agreements will include a provision which will allow for it to be extended to cover the Isle of Man, and as with Japan, it is hoped that this can be beyond the scope of trade in goods.

Officials are working to ensure that the Isle of Man can demonstrate where it can comply with the obligations which will flow from such. It should be noted, however, that the Isle of Man has a relatively open economy, and so has few barriers to inhibit the entry into the Isle of Man market of foreign investors/service providers.

It should also be noted that there is provision to 'reserve' against having to open up the entire economy to foreign competition, especially in areas where services are provided by Government, or where monopoly or market restrictive conditions are fostered by Government. This means, for example that Government provision of health and education services can be protected.

The UK has also requested to join the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP), and it hopes to start formal negotiations to do so during 2021. As with other international treaties to which the UK becomes a Party, it may be possible for the UK's membership of the CPTPP (if the UK's negotiations are successful) to be extended to the Isle of Man. In order to do so, the Island will need to be able demonstrate that it can comply with the requirements of the CPTPP. Some consideration of these requirements and the potential opportunities for the Island has already been undertaken, and the work that was done during the course of the UK/EU negotiations is relevant.

Opportunities to participate in future UK Free Trade Agreements will form the basis of the Island's work in this area during the course of 2021.

Appendix 1

List of all SDs made under the European Union and Trade Act 2019 and other legislation in respect of Brexit which have been included on the Tynwald Order papers

Department / Statutory Board/ Office	SD Number	SD Title	Tynwald Sitting	Enabling Legislation (Parent)	Brief Description of subject matter
DESC	2019/0220	EDUCATION (STUDENT AWARDS) REGULATIONS 2019	May 2019	Education Act 2001	Removal of references to the Erasmus (EU student exchange programme) scheme
Treasury	2019/0027	European Union and Trade Act 2019 (Deficiencies) (Treasury) Regulations 2019	Feb-19	European Union and Trade Act 2019	Amended: (a) Insurance (Protected Cell Companies) Regulations 2004 (b) Authorised Collective Investment Schemes Regulations 2010 (c) Regulated Activities Order 2011 (d) Financial Services (Exemptions) Regulations 2011 (e) Payment Services Regulations 2015 (f) Financial Services Rule Book 2016 All amendments simply retain the status quo, and reflect that the UK is not an EU Member State. For example, where text would have in effect stated, "XXX is acceptable if from an EU Member State" amendments would change that to "XXX is acceptable if from the UK or from an EU Member State"
DEFA	2019/0028	Veterinary Medicines Regulations 2019	Feb-19	European Communities (Isle of Man) Act 1973	To update the Island's legislation to control veterinary medicines in line with equivalent UK legislation and obligations under Protocol 3.
DEFA & OFT	2019/0037	European Union and Trade Act 2019 (Retained Direct EU Legislation) (DEFA and OFT) Regulations 2019	Feb-19	European Union and Trade Act 2019	These Regulations prescribe the EU regulations, EU decisions and EU tertiary legislation in areas for which DEFA/OFT is responsible that were directly applicable to the IOM under Protocol 3 and which continue form

					part of Manx law on and after exit day.
OFT	2019/0038	European Union and Trade Act 2019 (Deficiencies) (OFT) Regulations 2019	Feb-19	European Union and Trade Act 2019	To amend OFT's primary legislation to ensure it is operable after exit day.
DEFA	2019/0039	European Union and Trade Act 2019 (Deficiencies) (DEFA) Regulations 2019	Feb-19	European Union and Trade Act 2019	To amend DEFA's primary legislation to ensure it is operable after exit day.
COMIN	2019/0043	European Union and Trade Act 2019 (Appointed Day) (No.1) Order 2019	Feb-19	European Union and Trade Act 2019	Brought initial enabling provisions of the Act into operation
CABO	2019/0056	European Union and Trade Act 2019 (Deficiencies) (Cabinet Office) Regulations 2019	Feb-19	European Union and Trade Act 2019	These Regulations amend the Equality Act 2017, the Freedom of Information Act 2015, the Data Protection Act 2018 and the Representation of the People Regulations 2015 to address deficiencies arising from the UK's withdrawal from the EU.
Communicati on Commission	2019/0057	European Union and Trade Act 2019 (Deficiencies) (Communications Commission) Regulations 2019	Feb-19	European Union and Trade Act 2019	These Regulations amend the Telecommunications Act 1984 and the Broadcasting Act 1993 to address deficiencies arising from the United Kingdom's withdrawal from the European Union
IOM Post Office	2019/0058	European Union and Trade Act 2019 (Deficiencies) (Isle of Man Post Office) Regulations 2019	Feb-19	European Union and Trade Act 2019	These Regulations amend the Post Office Act 1993 to address deficiencies arising from the United Kingdom's withdrawal from the European Union.
DOI	2019/0059	European Union and Trade Act 2019 (Deficiencies) (Road Traffic Act 1985) Regulations 2019	Feb-19	European Union and Trade Act 2019	These Regulations amends deficiencies in the Road Traffic Act 1985 as a consequence of the UK's withdrawal from the EU and also make a consequential amendment to the Motor Vehicles (Compulsory Insurance) Regulations 1994
DEFA	2020/0495	European Union and Trade Act 2019 (Deficiencies) (DEFA) Regulations 2020	Nov-20	European Union and Trade Act 2019	
CABO	2021/0031	European Union and Trade Act 2019 (Appointed Day) (No.3) Order 2021	Feb-21	European Union and Trade Act 2019	Brought remaining provisions of Act into operation

Customs	2019/0064	European Union and Trade Act 2019 (Retained Direct EU Legislation) (Customs) Regulations 2019	Mar-19	European Union and Trade Act 2019	Prescribe the EU regulations, EU decisions and EU tertiary legislation which form part of Manx law on and after IP completion day in relation to customs
Customs	2019/0076	European Union (Forest Law Enforcement, Governance and Trade) (Amendment) Regulations 2019	Mar-19	European Union and Trade Act 2019	Make amendments to legislation in the field of environmental protection and, in particular, amend legislation relating to the import and placing on the market of timber and timber products to minimise the risk of placing illegally harvested timber and timber products derived from such timber on the market.
Customs	2019/0077	Customs and Excise Acts 1986 (Amendment) Order 2019	Apr-19	Customs and Excise Acts 1986	Amends Customs and Excise Duties (General Reliefs) Act 1986; Hydrocarbon Oil Duties Act 1986 and Tobacco Products Duty Act - following UK withdrawal from EU to ensure imposition and administration of Customs & Excise duties works properly after withdrawal from EU.
Customs	2019/0078	European Union and Trade Act 2019 (Retained Direct EU Legislation) (Sanctions) Regulations 2019	Mar-19	European Union and Trade Act 2019	Later revoked by SD 2020/0584
Customs	2019/0080	Taxation (Cross-border Trade) Act 2018 (Application) Order 2019	Apr-19	Customs and Excise Act 1993	Applies the Taxation (Cross-border Trade) Act 2018 (of Parliament) to the Island which make provision for domestic customs law from IP completion day
Customs	2019/0081	Customs and Excise Management Act 1986 (Amendment) Order 2019	Apr-19	Customs and Excise Management Act 1986	Amends the Customs and Excise Management Act 1986 and comes into operation on IP completion day – it is necessary to amend the existing legislation as a consequence of the United Kingdom’s withdrawal from the EU to ensure that the imposition and administration of import duty works appropriately on IP completion day.
Customs	2019/0082	Value Added Tax Act 1996 (Amendment) Order 2019	Apr-19	Value Added Tax Act 1996	Amends the Value Added Tax Act 1996 and comes into operation on IP completion day – it is necessary to amend existing legislation as a consequence of the United Kingdom’s withdrawal from the EU to ensure the VAT regime works appropriately on withdrawal.
Customs	2019/0083	Customs and Excise Acts (Application) (Amendment) Order 2019	Apr-19	Customs and Excise Act 1993	Amends the Customs & Excise Acts (Application) Order 1979 to apply certain provisions in Island law which

					make amendments to other legislation already applied in Island law.
DOI	2019/0087	European Union and Trade Act 2019 (Deficiencies) (Department of Infrastructure) Regulations 2019	Mar-19	European Union and Trade Act 2019	These Regulations amend the Harbours Act 2010 and a number of Statutory Documents as a consequence of the United Kingdom's withdrawal from the European Union.
Customs	2019/0095	Export of Radioactive Sources (Control) Order 2006 (Application) (Amendment) Order 2019	May 19	Customs and Excise Act 1993	Applies in Island law the Export of Radioactive Sources (Control) (Amendment) Order 2009 and reg 3 of the Export Control (Amendment) (EU Exit) Regulations 2019
CABO/AG's	2019/0096	European Union and Trade Act 2019 (Consequential Provisions) Regulations 2019	Mar-19	European Union and Trade Act 2019	These Regulations amend the Interpretation Act 2015 so that the definitions in paragraph 1A of the Schedule to that Act (inserted by the European Union and Trade Act 2019) apply to all Manx legislation.
FSA	2019/0097	European Union and Trade Act 2019 (Deficiencies) (Isle of Man Financial Services Authority) Regulations 2019	Mar-19	European Union and Trade Act 2019	Amended: (i) Register of Recognised Auditor Regulations 2010 (ii) Accounting (Recognised Auditors) Regulations 2010 (iii) Public Oversight of Recognised Auditors Regulations 2010 (iv) Collective Investment Schemes (Definition) Order 2017 All amendments simply retain the status quo, and reflect that the UK is not an EU Member State. For example, where text would have in effect stated, "XXX is acceptable if from an EU Member State" amendments would change that to "XXX is acceptable if from the UK or from an EU Member State"
DEFA	2019/0101	Timber and Timber Products (Placing on the Market) Regulations 2019	Mar-19	European Communities (Isle of Man) Act 1973	To update the Island's legislation with respect to the placing on the market of timber and timber products as necessary to maintain access to markets by aligning with equivalent UK law and implementing EU law applicable to the Island under Protocol 3. Relates to

					SD 2019/0076.
DHSC	2019/0102	European Union and Trade Act 2019 (Deficiencies) (Health and Social Care) Regulations 2019	Mar-19	European Union and Trade Act 2019	<p>Amended:</p> <ul style="list-style-type: none"> (i) Dental Act 1985 (ii) Medicines Act 2003 (iii) Public Health Act 2006 (note functions have been transferred to public health at CabO) (iv) Medicines for Human Use Regulations 2005 (v) The Medicines (General Sales List) Regulations 2005 (vi) The Prescription Only Medicines (Human Use) Regulations 2005 (vii) The Medicines (Pharmacy and General Sale – Exemption) Regulations 2005 (viii) The Medicines (Advertising) Regulations 2005 <p>Amendments mainly concentrate on updating definitions of “authorisation” i.e. relevant authorities which designate medicines as safe. Brexit marks a decoupling from UK and EU regulators and as such both need to be captured to ensure enactments continue to operate as intended (both EU and UK regulators continue to be recognised here that is). There is no new policy direction from DHSC.</p> <p>Further to this, several amendments reflect the fact that UK is no longer an EU member state.</p>
Customs	2019/0104	Wharves and Temporary Storage Facilities (Approval Condition and Transitional Provision) Regulations 2019	May-19	Customs and Excise Management Act 1986	Allow the Treasury to require a place to be equipped for full compliance with customs import and export requirements (such as storage and declarations), before it is approved for Island customs purposes as a wharf or temporary storage facility – coming into operation on IP completion day.
Customs	2019/0105	Wharves, Examination Stations and Temporary Storage Facilities (Approval Conditions) Regulations 2019	May-19	Customs and Excise Management Act 1986	Require temporary storage facilities, airport examination stations and approved wharves to provide the amenities necessary for the conduct there of import and export customs formalities and other controls – coming into operation on IP completion day.

Customs	2019/0106	Customs (Temporary Storage Facilities Approval Conditions) Regulations 2019	May-19	Customs and Excise Management Act 1986	Provide for conditions that must, or may be required to be, met in relation to temporary storage facilities before they can be approved for the deposit of imported goods subject to control under para 1 of Schedule 1 to the Taxation (Cross-border Trade) Act 2018 as it has effect in the Island
Customs	2019/0107	Aircraft (Customs and Excise) Regulations 2019	May-19	Customs and Excise Management Act 1986	Prescribe the procedures to be followed on the arrival of aircraft in and their departure from the Island and come into operation on IP completion day.
Customs	2019/0108	Ship's Report, Importation and Exportation by Sea Regulations 2019	May-19	Customs and Excise Management Act 1986	Explain the report and clearance procedures for commercial vessels arriving in or departing from the Island – and come into operation on IP completion day.
Customs	2019/0109	Control of Movement of Goods Regulations 2019	May-19	Customs and Excise Management Act 1986	Prescribe the procedures to be followed for the movement within the Island of imported goods, goods in transit through the Island, goods for exportation and goods between a free zone and a place approved by the Treasury for clearance out of charge of such goods or between one free zone and another – coming into operation on IP completion day.
DfE	2019/0120	European Union and Trade Act 2019 (Deficiencies) (Enterprise) Regulations 2019	Mar-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
DfE	2019/0121	European Union and Trade Act 2019 (Deficiencies) (Patents) Regulations 2019	Mar-19	European Union and Trade Act 2019	
DEFA	2019/0122	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 2) Regulations 2019	Mar-19	European Union and Trade Act 2019	
Customs	2019/0138	European Union and Trade Act 2019 (Retained Direct EU Legislation) (Customs) (No.2) Regulations 2019	Apr-19	European Union and Trade Act 2019	Incorporate into Manx law Council Regulation (EU) 2019/125 concerning trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment

					– coming into operation on IP completion day.
DEFA	2019/0140	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 3) Regulations 2019	Apr-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
Customs	2019/0149	Seal Products (Amendment) (EU Exit) Regulations 2018 (Application) Order 2019	May-19	Customs and Excise Act 1993	Applies in Island law the Seal Products (Amendment) (EU Exit) Regulations 2018 which make minor and technical changes to the Seal Products Regulations 2010.
Customs	2019/0150	Customs Transit Procedures Regulations 2019	May-19	Taxation (Cross-border Trade) Act 2018	Make provision for the international movements of goods, with import duty suspended, under the internationally recognised common transit procedure and TIR Carnet system, with provision for such movements within the Island. They also provide for such movements of goods under arrangements for NATO forces – coming into operation on IP completion day.
Customs	2019/0152	Customs (Import Duty) Regulations 2019	May-19	Taxation (Cross-border Trade) Act 2018	Made further to Part 1 of the Taxation (Cross-border Trade) Act 2018 as it has effect in the Island – provides for further regulations on Import Duty.
Customs	2019/0154	Customs (Special Procedures and Outward Processing) Regulations 2019	May-19	Taxation (Cross-border Trade) Act 2018	Makes provision under Part 1 of the Taxation (Cross-border Trade) Act 2018 as it has effect in the Island in relation to outward processing and special Customs procedures, other than transit. These provisions replace provisions in EU legislation which will cease to have effect when the United Kingdom ceases to be a member of the EU.
Customs	2019/0160	Value Added Tax (Disclosure of Information Relating to VAT Registration) Order 2019	May-19	Value Added Tax Act 1996	This Order allows the Treasury or HMRC to disclose specified information to a person who makes an enquiry about a VAT number and replaces the requirement imposed on the Treasury by EU Regulation

					904/2010, which ceases to apply on IP completion day.
Customs	2019/0161	Value Added Tax (Transitional Provisions) Order 2019	May-19	Value Added Tax Act 1996	This Order makes a number of transitional provisions to deal with some of the issues arising when amendments to the Value Added Tax Act 1996 are made in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU.
Customs	2019/0162	Value Added Tax (Tour Operators) (Amendment) Order 2019	May-19	Value Added Tax Act 1996	Amends the Value Added Tax (Tour Operators) Order 1988 for the purpose of making changes to the VAT Tour Operators Margin Scheme that are appropriate in consequence of the withdrawal of the United Kingdom from the EU.
Customs	2019/0168	Excise Duties (Miscellaneous Amendments) Regulations 2019	May-19	Customs and Excise Management Act 1986; Alcoholic Liquor Duties Act 1986; and Hydrocarbon Oil Duties Act 1986	These Regulations make miscellaneous amendments to secondary legislation relating to excise duties arising on the withdrawal of the United Kingdom from the EU
Customs	2019/0170	Excise Duties (Miscellaneous Amendments) Order 2019	May-19	Customs and Excise Duties (General Reliefs) Act 1986	Amends the Excise Duties (Personal Reliefs) (Fuel and Lubricants Imported in Vehicles) Order 1989 and revokes the Travellers' Relief (Fuel and Lubricants) Order 1995.
Customs	2019/0172	Customs and Excise (Personal Reliefs for Special Visitors and Goods Permanently Imported) (Amendment) Order 2019	May-19	Customs and Excise Duties (General Reliefs) Act 1986	Amends the Customs and Excise (Personal Reliefs for Special Visitors) Order 1993 and the Customs and Excise Duties (Personal Reliefs for Goods Permanently Imported) Order 1993.
Customs	2019/0173	Customs Safety and Security (Penalty) Regulations 2019 (Application) Order 2019	May-19	Customs and Excise Act 1993	Applies in Island law the Customs Safety and Security (Penalty) Regulations 2019 and makes consequential amendments to the Customs and Excise Acts (Application) Order 1979.
Customs	2019/0175	Excise Goods (Holding, Movement and Duty Point) (Amendment Etc.) Regulations 2019	Jun-19	Customs and Excise Management Act 1986; Alcoholic Liquor Duties Act 1986; and Tobacco Products Duty Act 1986	Amends the Excise Goods (Holding, Movement and Duty Point) Regulations 2010 to ensure the effective operation of the Holding and Movement Regulations after the withdrawal of the United Kingdom from the EU
Customs	2019/0179	Postal Packets (Customs and Excise) (Amendment) Regulations 2019	May-19	Post Office Act 1993	Amend the Postal Packets (Customs and Excise)

					Regulations 2015 as a consequence of UK's withdrawal from the EU – omit definition of "customs territory" and replace references to "customs territory" with references to Island and the United Kingdom
COMIN	2019/0181	European Union and Trade Act 2019 (Amendment of Exit Day) Regulations 2019	Apr-19	European Union and Trade Act 2019	Changed exit day in line with revised date agreed by UK and EU
Customs	2019/0182	Customs (Records) Regulations 2019	May-19	Taxation (Cross-border Trade) Act 2019	Makes supplementing provision in relation to import duty by and under Part 1 of the Taxation (Cross-border Trade) Act 2018 – coming into operation on IP completion day.
DEFA	2019/0185	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 4) Regulations 2019	May-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
Customs	2019/0198	Customs (Enforcement of Intellectual Property Rights) (Modifications) Regulations 2019	May-19	European Union and Trade Act 2019	Modify one retained EU regulation, which forms part of Manx law on and after IP completion day relating to the customs enforcement of intellectual property rights, in order to ensure that the retained EU regulation continues to operate effectively in the Island after the United Kingdom leaves the EU.
DEFA	2019/0212	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 5) Regulations 2019	May-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day.
DEFA	2019/0213	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 6) Regulations 2019	May-19	European Union and Trade Act 2019	To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
CABO	2019/0214	European Union and Trade Act 2019 (Amendment of Exit Day) (No. 2) Regulations 2019	May-19	European Union and Trade Act 2019	Changed exit day in line with revised date agreed by UK and EU

Customs	2019/0217	Customs and Excise (Transit) (Amendment) (No. 2) Regulations 2019	Jun-19	European Union and Trade Act 2019	Amend the Customs and Excise (Transit) Regulations 1994 in order to correct deficiencies following the United Kingdom's exit from the EU
Customs	2019/0218	European Union and Trade Act 2019 (Modification) (Statistics of Trade) (No. 2) Regulations 2019	Jun-19	European Union and Trade Act 2019	Modify the retained EU law, which form part of Manx law on and after IP completion day in the field of statistics of trade, in order to ensure that the retained EU law continues to operate effectively in the Island after the United Kingdom leaves the EU
Customs	2019/0221	European Union and Trade Act 2019 (Modification) (Sanctions) Regulations 2019	Jun-19	European Union and Trade Act 2019	Later revoked by SD 2020/0584
Customs	2019/0222	European Union and Trade Act 2019 (Modification) (Sanctions) (No. 2) Regulations 2019	Jun-19	European Union and Trade Act 2019	Later revoked by SD 2020/0584
Treasury	2019/0235	European Union and Trade Act 2019 (Deficiency) (Dormant Assets) Regulations 2019	Jul-19	European Union and Trade Act 2019	These Regulations amend the Dormant Assets Act 2019 to address deficiencies arising from the withdrawal of the United Kingdom from the European Union.
Customs	2019/0264	Export Control (Amendment) (EU Exit) Regulations 2019 (Application) (No. 2) Order 2019	Jul-19	Customs and Excise Act 1993	Applies in Island law the Export Control (Amendment) (EU Exit) Regulations 2019 – coming into operation on exit day – amending the Export Control Order 2008 as it has effect in the Island to address deficiencies in Island law arising from the withdrawal of the United Kingdom from the EU.
Customs	2019/0266	Statistics of Trade (Customs and Excise) Regulations (Application) (No. 2) Order 2019	Jul-19	Customs and Excise Act 1993	Applies the Statistics of Trade (Customs and Excise) Regulations 1992 as amended by various statutory instruments including the Statistics of Trade (Amendment etc.) (EU Exit) Regulations 2019.
OFT	2019/0277	European Communities (Consumer Protection) (Application) Order 2019	Jul-19	European Communities (Isle of Man) Act 1973	To apply EU legislation relating to consumer protection to enable regulations to be made under Manx law equivalent to similar provision under UK law. See SD 2019/0359.
DEFA	2019/0280	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 7) Regulations 2019	Jul-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU

					after exit day.
DEFA	2019/0321	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 7) (Amendment) Regulations 2019	Oct-19	European Union and Trade Act 2019	To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
PIN	2019/0331	European Union and Trade Act 2019 (Deficiencies) (Immigration) Regulations 2019	Oct-19	European Union and Trade Act 2019	These Regulations made consequential and transitional amendments to various SDs in order to ensure that immigration legislation continued to operate effectively during the implementation period.
Customs	2019/0336	Taxation (Cross-border Trade) Act 2018 (Application) (Amendment) (No. 2) Order 2019	Oct-19	Customs and Excise Act 1993	Amends the Taxation (Cross-border Trade) Act 2018 (Application) Order 2019 - coming into operation on IP completion day.
DEFA	2019/0347	Animal Feed (Basic Safety Standards) (Application) Order 2019	Oct-19	Fertilisers and Feeding Stuffs Act 1975	To set out basic safety standards with respect to the provision of animal feed to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0348	Animal Feed (Hygiene, Sampling etc. and Enforcement) Order 2019	Oct-19	Animal Health Act 1996	To update and align regulatory controls on animal feed to ensure we equivalent provision to UK in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0349	Animal Feed (Composition, Marketing and Use) (Application) Order 2019	Oct-19	Fertilisers and Feeding Stuffs Act 1975	To provide regulatory controls on the composition, marketing and use of animal feed to ensure we equivalent provision to UK in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0350	Animal Health (Miscellaneous Amendments) Order 2019	Oct-19	Animal Health 1996	To update 3 pieces of animal health legislation made under the Animal Health Act 1996 to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0352	Cattle Identification Order 2019	Oct-19	Animal Health Act 1996	To update our legislation relating to the identification of cattle to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.

DEFA	2019/0353	Equine Identification Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To provide our legislation relating to the identification of horses (i.e. equines) and associated controls on records and movements thereof, to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0354	Foot-and-Mouth Disease Order 2019	Oct-19	Animal Health Act 1996	To update our legislation relating to legislation to control and prevent the spread of foot-and-mouth disease to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0355	Pigs (Records, Identification and Movement) (Amendment) Order 2019	Oct-19	Animal Health Act 1996	To update our legislation relating to the identification of pigs (and associated controls on records and movements thereof) to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0356	Sheep and Goats (Records, Identification and Movement) (Amendment) Order 2019	Oct-19	Animal Health Act 1996	To update our legislation relating to the identification of sheep (and associated controls on records and movements thereof) to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0357	Welfare of Farmed Animals (Amendment) Order 2019	Oct-19	Animal Health Act 1996	To amend existing animal welfare legislation to provide for welfare requirements for conventionally reared meat chicken to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0358	Zoonoses Order 2019	Oct-19	Animal Health Act 1996	To designate salmonella and brucella as notifiable diseases for the purposes of the Animal Health Act 1996, to provide for regulatory controls to prevent the spread of zoonoses that cause zoonotic disease generally, and to provide for regulatory controls to prevent the spread of Echinococcus multilocularis from animal carcasses. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.

OFT	2019/0359	Consumer Protection from Unfair Trading Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	Further to the vires provided by SD 2019/0277, to implement consumer protection legislation on the Island, based on equivalent UK legislation.
DEFA	2019/0360	Animal By-Products Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To implement the requirements of the EU Official Controls Regulation 2017/625, and other EU law, with regard to animal by-products. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0361	Animals and Animal Products (Examination for Residues and Maximum Residue Limits) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To implement the requirements of the EU Official Controls Regulation 2017/625, and other EU law, with regard to testing for residues in animals and animal by-products, and the associated maximum residue levels allowed under EU law. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0362	Aquatic Animal Health (Amendment) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update our animal health legislation with regard to aquatic animals and add a disease of pacific oysters to the list of notifiable diseases for such invertebrates. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0363	European Communities (Food Miscellaneous Amendments) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update seven items of secondary legislation relating to the production, labelling and marketing of food. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0364	European Communities (Zoonoses Monitoring) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To set out our responsibilities with regard to monitoring for zoonotic diseases. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law. SD 2019/0358 relates to these Regulations.
DEFA	2019/0365	Food Additives, Flavourings, Enzymes and Extraction Solvents Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update our legislation with respect to controls on

				Man) Act 1973	food additives, etc. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0366	Foot-and-Mouth Disease (Control of Vaccination) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update our legislation relating to the use of vaccines to control the spread of foot-and-mouth diseases and consequential restrictions on movements of animals. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0367	Genetically Modified Food Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To set out the labelling requirements for genetically modified food. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0368	Materials and Articles in Contact with Food Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To set out the regulatory controls on materials and articles that may be in contact with food. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0369	Novel Foods Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To set out our regulatory controls on what are deemed to be novel foods under UK and EU law. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0370	Official Feed and Food Controls Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To implement the requirements of the EU Official Controls Regulation 2017/625 with regard to the movements of feed and food. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0371	Plastic Kitchenware (Conditions on Imports from China) Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To provide for controls on the import of plastic kitchenware from China. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to

					implement applicable EU law.
DEFA	2019/0372	Transmissible Spongiform Encephalopathies Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update our legislation on regulatory controls that are to be applied to prevent the spread of TSEs and the controls that may be applied in the event a TSE is detected. [n.b. BSE is a TSE] This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0373	Welfare of Animals at the Time of Killing Regulations 2019	Oct-19	European Communities (Isle of Man) Act 1973	To update our legislation with regard to the welfare requirements that must be met for animals at the time they are slaughtered. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0374	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 8) Regulations 2019	Oct-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
CUSTOMS	2019/0375	European Union and Trade Act 2019 (Deficiencies) (Customs) Regulations 2019	Oct-19	European Union and Trade Act 2019	Modify the EU regulations and EU tertiary legislation listed in the Schedule to the Regulations, which form part of Manx law on and after IP completion day in relation to customs.
Customs	2019/0376	European Union and Trade Act 2019 (Deficiencies) (Customs) (No. 2) Regulations 2019	Oct-19	European Union and Trade Act 2019	Modify the EU regulations and EU tertiary legislation listed in the Schedule to the Regulations, which form part of Manx law on and after IP completion day in relation to customs.
DEFA	2019/0382	Animal Health (Miscellaneous Amendments) (No. 2) Order 2019	Oct-19	Animal Health 1996	To correct a drafting error relating to the commencement of SD 2019/0348, SD 2019/0352, SD 2019/0355 and SD 2019/0356
DEFA	2019/0386	Sea Fishing Licensing (Amendment) Regulations 2019	Oct-19	Fisheries Act 2012	To provide for the licensing of foreign fishing vessels meeting the specified criteria after exit day.

Customs	2019/0399	Customs Transit Procedures (Amendment) Regulations 2019	Nov-19	Taxation (Cross-border Trade) Act 2018	Amend the Customs Transit Procedures Regulations 2019 in line with amendments made to the corresponding Customs Transit Procedures (EU) Exit Regulations 2018 in the United Kingdom, as required by the Customs and Excise Agreement 1979.
Customs	2019/0407	Customs Union (United Kingdom) Order 2019	Nov-19	Taxation (Cross-border Trade) Act 2018	Arrangements establishing a customs union with the United Kingdom and Channel Islands
DEFA	2019/0408	Beef and Veal Labelling Regulations 2019	Dec-19	European Communities (Isle of Man) Act 1973	To update IoM legislation with respect to the labelling of beef and veal products. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0409	Food Supplements Regulations 2019	Dec-19	European Communities (Isle of Man) Act 1973	To implement EU law with regard to the packaging and purity of food supplements. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0410	Products Containing Meat etc. Regulations 2019	Dec-19	Food Act 1996	To update legislation relating to the production of meat and meat products. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0411	Fish Labelling Regulations 2019	Dec-19	European Communities (Isle of Man) Act 1973	Revoke and replace existing law to require producers to label fish in accordance with EU for the purposes of classification and traceability. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
Customs	2019/0417	Export Control (Sanctions) (Amendment) Order 2019 (Application) Order 2019	Nov-19	Customs and Excise Act 1993	Applies in Island law the Export Control (Sanctions) (Amendment) Order 2019 – coming into operation on IP completion day.
CABO	2019/0449	European Union and Trade Act 2019 (Amendment of Exit Day) (No. 3) Regulations 2019	Nov-19	European Union and Trade Act 2109	Changed exit day in line with revised date agreed by UK and EU

DEFA	2019/0446	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 9) Regulations 2019	Dec-19	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
DEFA	2019/0496	Official Controls (Agriculture) Regulations 2019	Dec-19	European Communities (Isle of Man) Act 1973	To implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to agricultural matters (animals, animal health, animal products and by-products; animal movements, etc). This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0497	Official Feed and Food (Miscellaneous Amendments) Regulations 2019	Dec-19	European Communities (Isle of Man) Act 1973	To implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to animal feed and food. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2019/0512	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 10) Regulations 2019	Jan-20	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
CABO	2020/0057	European Union and Trade Act 2019 (Appointed Day) (No.2) Order 2020	Feb-20	European Union and Trade Act 2019	To bring the majority of the remaining provisions of the Act into operation.
CABO/AG's	2020/0058	European Union and Trade Act 2019 (Withdrawal Agreement) Regulations 2020	Feb-20	European Union and Trade Act 2019	These Regulations implement the withdrawal agreement so that it has effect in Manx law. These Regulations also declare the EEA EFTA separation agreement to be a treaty for the purposes of section 16 of the European Union and Trade Act 2019 in order to

					enable that agreement to be implemented into Manx law.
CABO/AG's	2020/0065	European Union and Trade Act 2019 (Withdrawal Agreement) (Amendment) Regulations 2020	Feb-20	European Union and Trade Act 2019	These Regulations make minor and clarifying amendments to SD 2020/0065
Customs	2020/0068	Value Added Tax (Amendment) (No. 2) Regulations 2020	Feb-20	Value Added Tax Act 1996	Amend the Value Added Tax Regulations 1996 in relation to the United Kingdom's departure from the EU – coming into operation on IP completion day.
DEFA	2020/0095	European Communities (Agricultural Products and Foodstuffs Quality Schemes) Regulations 2020	Mar-20	European Communities (Isle of Man) Act 1973	To provide regulatory powers for the enforcement of EU law relating to the production, sale and marketing of food having geographical indicators (e.g. Manx Loaghtan, Manx Queenies). This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0096	Spirit Drinks Regulations 2020	Mar-20	European Communities (Isle of Man) Act 1973	To apply EU law with respect to the production and marketing of spirit drinks. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0150	Official Controls (Plant Health) Regulations 2020	Mar-20	European Communities (Isle of Man) Act 1973	To replace Manx law to implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to plant health controls. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0266	Official Controls (Plant Health) (No. 2) Regulations 2020	May-20	European Communities (Isle of Man) Act 1973	To replace Manx law (including SD 2020/0150) to implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to plant health controls. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
Customs	2020/0288	Customs (Miscellaneous Amendments and Revocation) Regulations 2020	Jun-20	Taxation (Cross-border Trade) Act 2018	Make necessary amendments and revocations as a consequence of amendments to the Taxation (Cross-

					border Trade) Act 2018 as it has effect in the Island.
Customs	2020/0386	European Union (Terrorism Sanctions and Miscellaneous Amendments) Order 2020	Oct-20	European Communities (Isle of Man) Act 1973	Later revoked by SD 2020/0584.
Customs	2020/0402	Value Added Tax (Amendment) (No. 3) Regulations 2020	Oct-20	Value Added Tax Act 1996	Amend the Value Added Tax Regulations 1996 in relation to the United Kingdom's departure from the EU.
Customs	2020/0403	European Union and Trade Act 2019 (Exit Day References) (Customs) Regulations 2020	Oct-20	European Union and Trade Act 2019	Amend a number of statutory documents relating to customs, excise and VAT which originally were due to come into operation on exit day – substituting a reference to IP completion day
DfE	2020/0434	Copyright and Performers' Protection (Amendment) Regulations 2020	Nov-20	European Union and Trade Act 2019	
Customs	2020/0447	Republic of Guinea-Bissau Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Republic of Guinea-Bissau (Sanctions) (EU Exit) Regulations 2018 which establish a sanctions regime in relation to the Republic of Guinea-Bissau.
Customs	2020/0448	Guinea Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Guinea (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Guinea.
Customs	2020/0449	Nicaragua Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Nicaragua (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Nicaragua.
Customs	2020/0450	Mali Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Mali (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Mali for the purposes of promoting the peace, stability and security of Mali.
Customs	2020/0451	Cyber Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Cyber (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime for the purpose of furthering the prevention of certain cyber activity.
Customs	2020/0452	Chemical Weapons Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Chemical Weapons (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to chemical weapons for the purposes of

					discouraging the proliferation and use of chemical weapons.
Customs	2020/0453	Bosnia and Herzegovina Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Bosnia and Herzegovina (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime for the purposes of promoting respect for the sovereignty, territorial integrity, international personality and constitutional order of Bosnia and Herzegovina.
Customs	2020/0454	Lebanon Sanctions (Assassination of Rafiq Hariri and Others) (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Lebanon (Sanctions) (Assassination of Rafiq Hariri and others) (EU Exit) Regulations 2020 which establish a sanctions regime for the purposes of implementing the United Kingdom and Isle of Man's international obligations under UN Security Resolution 1636 (2005).
Customs	2020/0455	Burundi Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Burundi (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Burundi.
Customs	2020/0456	Counter-Terrorism Sanctions (Application) Regulations 2020	Nov-20	European Union and Trade Act 2019	Apply the Counter-Terrorism (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime for the purpose of furthering the prevention of terrorism in the United Kingdom, the Isle of Man or elsewhere, to implement the international obligations the Isle of Man has under UN Security Council Resolution 1373 (2001).
Customs	2020/0472	Iran Sanctions (Human Rights) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Iran (Sanctions) (Human Rights) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Iran for the purposes of encouraging the Government of Iran to comply with international human rights law and respect human rights.
Customs	2020/0473	Venezuela Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Venezuela (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Venezuela.
Customs	2020/0474	Burma Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Burma (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to

					Burma.
Customs	2020/0475	Democratic Republic of the Congo Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Democratic Republic of the Congo (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Democratic Republic of the Congo.
Customs	2020/0476	South Sudan Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the South Sudan (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to South Sudan for the purposes of compliance with the Isle of Man and United Kingdom's United Nations obligations and promoting the peace, security and stability of South Sudan and related purposes.
Customs	2020/0477	Iran Sanctions (Nuclear) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Iran (Sanctions) (Nuclear) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to the nuclear activities in Iran
Customs	2020/0478	ISIL (Da'esh) and Al-Qaida (United Nations Sanctions) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the ISIL (Da'esh) and Al-Qaida (United Nations Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime relating to ISIL (Da'esh) and Al-Qaida to counter the threat posed by global terrorism.
Customs	2020/0479	Republic of Belarus Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Republic of Belarus (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to the Republic of Belarus.
Customs	2020/0480	Zimbabwe Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Zimbabwe (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Zimbabwe.
Customs	2020/0481	Central African Republic Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Central African Republic (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to the Central African Republic.
Customs	2020/0482	Somalia Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Somalia (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Somalia.
Customs	2020/0483	Sudan Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Sudan (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Sudan

					for the purposes of implementing the obligations that the Island has under UN Security Council Resolutions 1556 (2004), 1591 (2005), 1672 (2006) and 2035 (2012).
Customs	2020/0492	Lebanon Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Lebanon (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Lebanon for the purposes of giving effect to the Island's international obligations resulting from United Nations Security Council Resolution 1701 (2006).
Customs	2020/0493	Afghanistan Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Afghanistan (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Afghanistan for the purposes of giving effect to the Island's international obligations resulting from various United Nations Security Council Resolutions, including UN Security Council Resolution 2255 (2015).
DEFA	2020/0495	European Union and Trade Act 2019 (Deficiencies) (DEFA) Regulations 2020	Nov-20	European Union and Trade Act 2019	These Regulations were not approved by Tynwald. Revoked by SD 2020/0541
DEFA	2020/0496	Trade in Animals and Related Products Order 2020	Nov-20	Animal Health Act 1996	To replace Manx law to implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to trade in animals and related products. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
Customs	2020/0500	Iraq Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Iraq (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Iraq for the purpose of giving effect to the United Kingdom and Isle of Man's international obligations under United Nations Security Council Regulations, including resolution 1483 (2003).
Customs	2020/0501	Counter-Terrorism (International) Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Counter-Terrorism (International Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime to further the prevention of terrorism in the United Kingdom, the Isle of Man and elsewhere, and to

					implement the Island's obligations in relation to UN Security Council Resolution 1373 (2001).
Customs	2020/0502	Democratic People's Republic of Korea Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Democratic People's Republic of Korea (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to the Democratic People's Republic of Korea.
Customs	2020/0503	Syria Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Syria (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Syria.
Customs	2020/0504	Russia Sanctions (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Russia (Sanctions) (EU Exit) Regulations 2019 which establish a sanctions regime in relation to Russia for the purposes of encouraging Russia to cease actions destabilising Ukraine or undermining or threatening the territorial integrity, sovereignty or independence of Ukraine.
DEFA	2020/0520	Official Controls (Plant Protection Products and Genetically Modified Organisms) Regulations 2020	Jan-21	European Communities (Isle of Man) Act 1973	To replace Manx law to implement the requirements of the EU Official Controls Regulation 2017/625, and related EU law, with regard to trade in plants and GMOs, and correct an error in Manx legislation with respect to GMOs. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
Customs	2020/0522	Syria (United Nations Sanctions) (Cultural Property) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Syria (United Nations Sanctions) (Cultural Property) (EU Exit) Regulations 2020 which impose trade restrictions on the trade in Syrian cultural property or any other items of archaeological, historical, cultural, rare scientific or religious importance, illegally removed from Syria on or after 15 March 2011.
DfE	2020/0534	European Union and Trade Act 2019 (Deficiencies) (Enterprise) (Amendment) Regulations 2020	Dec-20	European Union and Trade Act 2019	The reference in the Control of Employment Act 2014 to an Isle of Man worker being a person who has the right to reside in the Isle of Man by virtue of any EU obligation (within the meaning of the European

					Communities (Isle of Man) Act 1973) is omitted.
DfE	2020/0535	Legal Practitioners Registration (Prescribed Qualifications) Regulations 2020	Dec-20	Legal Practitioners Registration Act 1986	Prescribe the qualifications which enable a legal practitioner to register and therefore practice law in the IOM: among other small changes, corrected a reference in previous Regulations to "any other Member State of the European Communities".
Customs	2020/0539	Yemen Sanctions (Application) (No. 2) Regulations 2020	Dec-20	European Union and Trade Act 2019	Apply the Yemen (Sanctions) (EU Exit) (No. 2) Regulations 2020 which establish a sanctions regime in relation to Yemen.
DEFA	2020/0544	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 2) Regulations 2020	Nov-20	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
Customs	2020/0564	Customs and Excise Management Act 1986 (Importation and Exportation of Cash) Order 2020	Jan-21	Customs and Excise Management Act 1986	Amends the prescribed amount of cash that needs to be declared, on importation to and exportation from the Island, from 10,000 Euros to £10,000. The previous limit was based on EU Regulation (EC) No 1889/2005 which will no longer apply after 31 December 2020.
Customs	2020/0565	Customs (Export) Regulations 2020	Jan-21	Taxation (Cross-border Trade) Act 2018	Makes provision in relation to procedures for the purposes of applicable export provisions.
Customs	2020/0569	European Union and Trade Act 2019 (Deficiencies) (Customs) Regulations 2020	Jan-21	European Union and Trade Act 2019	Modify the EU and EU tertiary legislation listed in the Schedule to the Regulations, which form part of Manx law on and after IP completion day in relation to customs.
Customs	2020/0577	Customs (Consequential Amendments) (EU Exit) Regulations 2019 (Application) Order 2020	Jan-21	Customs and Excise Act 1993	Applies in Island law the Customs (Consequential Amendments) (EU Exit) Regulations 2019 and comes into operation on IP completion day.

DEFA	2020/0580	Organic Products Regulations 2020	Jan-21	European Communities (Isle of Man) Act 1973	To make provision for regulations on the production and marketing of organic products. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
Customs	2020/0582	Misappropriation Sanctions (Application) Regulations 2020	Jan-21	European Union and Trade Act 2019	Apply the Misappropriation (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime for the purpose of deterring and providing accountability for the misappropriation of State funds from a country outside the Isle of Man.
Customs	2020/0583	Unauthorised Drilling Activities in the Eastern Mediterranean Sanctions (Application) Regulations 2020	Jan-21	European Union and Trade Act 2019	Apply the Unauthorised Drilling Activities in the Eastern Mediterranean (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime for the purposes of discouraging any hydrocarbon exploration, production or extraction activity which has not been authorised by the Republic of Cyprus within territorial sea or in its exclusive economic zone or on its continental shelf.
Customs	2020/0584	Libya Sanctions (Application) Regulations 2020	Jan-21	European Union and Trade Act 2019	Apply the Libya (Sanctions) (EU Exit) Regulations 2020 which establish a sanctions regime in relation to Libya.
DEFA	2020/0593	European Union and Trade Act 2019 (Deficiencies) (DEFA) (No. 3) Regulations 2020	Jan-21	European Union and Trade Act 2019	To retain and modify EU law necessary for 3rd country status and continued trade (principally in animals, animal products, food and fish) with the UK and EU after exit day. To make consequential amendments to Manx secondary legislation to ensure its operability after exit day in light of the changes in EU law.
DEFA	2020/0594	Seed Marketing (Amendment) Regulations 2020		European Communities (Isle of Man) Act 1973	To update existing legislation with respect to the regulatory controls applicable to the sale and marketing of seeds. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0595	Wine Regulations 2020		European Communities (Isle of Man) Act 1973	To make provision for regulatory controls on the production and marketing of wine.

					This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0596	Sea Fish (Marketing Standards) Regulations 2020		European Communities (Isle of Man) Act 1973	To provide for regulatory controls on the marketing of fishery products. SD 2019/0411 relates. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0597	Sea-Fisheries (Registration of Fish Buyers and Sellers) (Isle of Man) (Amendment) Regulations 2020		European Communities (Isle of Man) Act 1973	To amend existing regulations to require production of catch certificates and related documents when selling fish. This is to align with equivalent UK law and in accordance with our Protocol 3 obligations to implement applicable EU law.
DEFA	2020/0600	Sea Fishing Licensing (Amendment) (No. 2) Regulations 2020	Jan-21	Fisheries Act 2012	To update licensing requirements for foreign fishing vessels after IP completion day further to the requirements of the UK-EU trade and co-operation agreement.
PIN	2019/0248	Immigration (Control of Entry through Republic of Ireland) (Amendment) Order 2019	Jul-19	Immigration Act 1971	Included an amendment to exempt application of the Immigration (Control of Entry through Republic of Ireland) Order 2016 to people with leave under the EU Settlement Scheme.
PIN	2020/0071	Immigration (Control of Entry through Republic of Ireland) (Amendment) Order 2020	Feb-20	Immigration Act 1971	Amended the commencement date of the Immigration (Control of Entry through Republic of Ireland) (Amendment) Order 2019 (2019/0248) from "exit day" to "IP completion day".
PIN	2020/0510	Immigration (Citizens' Rights Appeals) (EU Exit) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Provides for appeals in connection with the EU Settlement Scheme.
PIN	2020/0509	Citizens' Rights (restrictions of Rights of Entry and Residence) (EU Exit) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Saves with appropriate modification provisions of the Immigration (European Economic Area) Regulations 2019 which apply to EEA and Swiss citizens and their family members who are resident before IP completion day. This SD specifically ensures that removal action taken in respect of this cohort remains consistent with

					the Withdrawal Agreements.
PIN	2020/0508	Citizens' Rights (Application Deadline and Temporary Protection) (EU Exit) (Application) Regulations 2020	Dec-20	European Union and Trade Act 2019	Saves with appropriate modification provisions of the Immigration (European Economic Area) Regulations 2019 which apply to EEA and Swiss citizens and their family members who are resident before IP completion day. This SD specifically provides for the 'Grace Period' in which this cohort have until 30 June 2021 to apply for an immigration status under the EU Settlement Scheme.
PIN	2020/0573	Immigration and Social Security Co-ordination (EU Exit) (Consequential Provisions) Regulations 2020	Jan-21	Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020	Makes various consequential amendments to immigration and social security legislation as a result of the UK's exit from the EU (the social security legislation relates to amending who has a right to access certain benefits).
PIN	2020/ 1322	Immigration (Isle of Man) (Amendment) (No.2) Order 2020	11 Nov 2020 Privy Council	Immigration Act 1971	An Order in Council to extend transitional provisions relating to removal and deportation in respect of relevant EEA and Swiss nationals who are protected by the Withdrawal Agreements.
PIN	2020/1576	Immigration (Isle of Man) (Amendment) (No.2) Order 2020	16 Dec 2020 Privy Council	Immigration Act 1971, Immigration Act 1988, Nationality, Immigration and Asylum Act 2002, UK Borders Act 2007 and Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020	An Order in Council to extend provisions of the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 to the Island. Amendments made reflect the withdrawal of the UK from the EU, principally ending rights of free movement of persons under retained EU law, and other consequential amendments.
PIN	2020/0557	Immigration (Isle of Man) (Amendment) (No.2) Order 2020 (Appointed Day) Order 2020	Dec-20	Immigration (Isle of Man) (Amendment) (No.2) Order 2020	Brings the amendments made by the Immigration (Isle of Man) (Amendment) (No.2) Order 2020 into operation on IP completion day.
PIN	2020/0572	Immigration (Isle of Man) (Amendment) (No.3) Order 2020 (Appointed Day) Order 2020	Jan-21	Immigration (Isle of Man) (Amendment) (No.3) Order 2020	Brings the amendments made by the Immigration (Isle of Man) (Amendment) (No.3) Order 2020 into operation on various appointed days.
PIN	2019/0143	Statement of Changes in Immigration Rules	Apr-19	Immigration Act 1971	Introduced the EU Settlement Scheme to the Immigration Rules.

PIN	2019/0380	Statement of Changes in Immigration Rules	Oct-19	Immigration Act 1971	Among other things, amendments were made to the EU Settlement Scheme to include a raft of “no deal” measures.
PIN	2020/0070	Statement of Changes in Immigration Rules	Mar-20	Immigration Act 1971	Among other things, made some minor technical amendments to the operation of the EU Settlement Scheme.
PIN	2020/0140	Statement of Changes in Immigration Rules	Apr-20	Immigration Act 1971	Among other things, made some minor technical amendments to the operation of the EU Settlement Scheme and to include further documentation that applicants may rely on when proving their residency.
PIN	2020/0316	Statement of Changes in Immigration Rules	Jun-20	Immigration Act 1971	Among other things, the EU Settlement Scheme was amended to allow relevant citizens of Northern Ireland to fall within the scope of the scheme, as well as a few other cohorts, including victims of domestic abuse, and circumstances where a divorce has taken place or the relationship to the EEA or Swiss citizen has otherwise ended.
PIN	2020/0497	Statement of Changes in Immigration Rules	Dec-20	Immigration Act 1971	Among other things, the EU Settlement Scheme was amended to provide for application deadlines, widen access to the EU Settlement Scheme family permit, and a few other minor amendments to guarantee consistency with the Withdrawal Agreements. An immigration route for Turkish nationals and their family members was also introduced, as previously Turkish nationals benefited from a unique set of immigration rules which were guaranteed by the Ankara Agreement between the EU and Turkey – the UK is no longer bound by the agreement, so this transitional route has been created in order to not disadvantage Turkish nationals resident under previous arrangements.
DHA	2019/0273	Licensing (Evidence of Age) (Amendment) Regulations 2019	Oct-19	Licensing Act 1995	Provides that an Isle of Man and a United Kingdom Driving Licence may be used as proof of age in licensed premises following the United Kingdom’s withdrawal from the European Union.



Ministry
of Justice

The Right Honourable
Robert Buckland QC MP
Lord Chancellor & Secretary of
State for Justice

Chief Minister

Hon. Howard Quayle
Chief Minister's Office
Government Office
Bucks Road
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Isle of Man
IM1 3PN

24 December 2020

Dear Howard,

THE ISLE OF MAN'S PARTICIPATION IN THE AGREEMENT BETWEEN THE UK AND THE EU

This letter is sent in connection with the Isle of Man's participation in the negotiated agreement between the United Kingdom of Great Britain and Northern Ireland and the European Union (the "Agreement").

Successive Governments have made clear on a number of occasions since the UK's 2016 Brexit referendum, that the UK's decision to leave the EU, and to enter a new trading relationship with the EU, does not alter or affect the constitutional relationships, through the Crown, between the UK and each of the Crown Dependencies. Neither does it affect the Isle of Man's participation in the Common Travel Area with the UK, Republic of Ireland and the other Crown Dependencies.

I am pleased to reaffirm the UK Government's commitment to the much valued and long-standing constitutional relationship between the UK and the Isle of Man. I look forward to continuing to strengthen that relationship, in line with the Justice Select Committee Reports and Government responses of 2010-14; and the Framework for Developing the International Identity of the Isle of Man, signed in 2007. The UK Government will continue to work closely with the Isle of Man, in positive collaboration and in the context of our existing constitutional relationship, as we implement the Agreement and develop new trading relationships with other countries. The UK Government continues to support the Isle of Man and the other Crown Dependencies seeking Letters of Entrustment in additional policy areas, where appropriate, recognising as it does the value to the Crown Dependencies of representing their own interests on the international stage.

As a Crown Dependency, the Isle of Man is self-governing in respect of its domestic affairs, including in relation to its territorial sea. The UK is responsible for the defence and international relations of the Isle of Man. The UK recognises and respects the Isle of Man's excellent track record of meeting its international obligations through the Isle of Man's own domestic policies and legislation. While the UK will retain ultimate responsibility in international law for compliance with obligations created by the Agreement, it is for the Government of the Isle of Man to determine, in consultation with the UK Government as may be appropriate, how the Agreement should be implemented and administratively enforced in the Isle of Man, and for the Isle of Man's competent authorities to undertake such implementation as necessary. In particular, the UK Government recognises that it will be for the Isle of Man to license and manage fishing by EU vessels in its territorial seas under the Agreement.

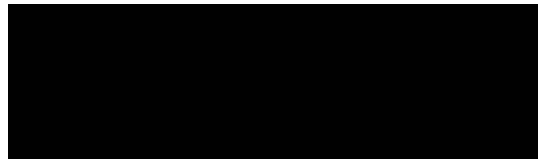
Subject to the approval of its legislature, the Government of the Isle of Man has confirmed that it is committed to adopting such domestic policies, laws or practices as it considers necessary or expedient for

the purpose of implementing the Agreement. In the unlikely event that there is any dispute with the EU as to the Isle of Man's compliance with the Agreement, the UK Government will work closely with the Government of the Isle of Man to ensure that the Isle of Man's interests are fully represented and that the Government of the Isle of Man is fully engaged in the conduct of any dispute resolution process.

Some provisions of the Agreement can be used to create new or modify existing obligations. Where any proposal is made to create or amend any obligation which could apply to the Isle of Man, the UK Government will engage fully with the Isle of Man prior to entering any negotiations concerning those obligations. I can confirm that the UK Government will involve the Isle of Man, as appropriate, in discussions about the formulation of the UK's policy position on such relevant matters. The UK Government recognises that the interests of the Isle of Man and the UK may be different in this context and will only extend any new or amended obligations arising under the Agreement to the Isle of Man in accordance with the established constitutional arrangements between the UK and the Isle of Man for consultation and consent.

I am copying this letter to the Paymaster General.

Yours ever,

A large black rectangular redaction box covering the signature area.

RT HON ROBERT BUCKLAND QC MP



Office of The Chief Minister
Oik yn Ard-Shirveishagh

Hon Howard Quayle MHK

Chief Minister

DOUGLAS

Isle of Man

IM1 3PG

British Isles

Telephone: +44 (0) 1624 685706

Email: chief.minister@gov.im

Rt Hon Penny Mordaunt MP
Paymaster General
Cabinet Office 70 Whitehall
London
SW1A 2AS

24 December 2020

Dear 

I am writing on behalf of the Isle of Man Government to advise that we consent to the inclusion of the Island within the scope of the UK-EU Free Trade Agreement. I give this consent based on the draft texts we have seen and based on the advice we have received from UK officials as to the shape of the final agreement.

I became Chief Minister shortly after the UK's referendum on EU membership. I am not sure any of us anticipated how Brexit would come to dominate our lives over the last four years. I am delighted that the UK has managed to agree an Agreement with the European Union. I know that it has been a challenging process for the United Kingdom Government.

I am of course particularly delighted that the UK Government and the European Union heard our voice. We would only have ever been able to consent to being part of a deal that was proportionate to the size of our nation and took into account our constitutional and trade relationship with the United Kingdom – a relationship we hold precious. The principal objectives I set my team was to ensure that as well as achieving a positive trade deal with the European Union, there should be no friction in our Island's trade with the United Kingdom. The outcome does just that. It provides us with continuity for our local businesses and a clarity for the future.

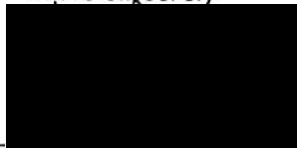
I would like to thank you and the Lord Chancellor for your engagement. I must also put on record my thanks to your officials who have worked with us in a spirit of genuine collaboration. They have been frank, honest and have listened carefully to understand our Island.



Office of The Chief Minister
Oik yn Ard-Shirveishagh

We will now complete the process of drafting and implementing the final legislative changes necessary to give effect to the Agreement in Manx law, and will do so prior to 31 December. I am copying this letter to the Lord Chancellor.

Yours sincerely



Hon Howard Quayle MHK
Chief Minister

Copied to:
Rt Hon Robert Buckland QC MP
Lord Chancellor
102 Petty France
Westminster
London
SW1H 9AJ



Office of The Chief Minister
Oik yn Ard-Shirveishagh

Hon Howard Quayle MHK

Chief Minister

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30 December 2020

Rt Hon Penny Mordaunt MP
Paymaster General
Cabinet Office
70 Whitehall
London
SW1A 2AS

Dear *Penny*

I am writing to provide assurance that the Isle of Man Government has made the necessary legislative provisions in order to meet its obligations under the terms of the Trade and Cooperation Agreement, which has been entered into by the United Kingdom and the European Union, and comes into effect on 1 January 2021.

The following legislation has been made or amended in order to enable the Isle of Man to meet its obligations, which relate to the Trade in Goods title and certain portions of the Fisheries heading.

Primary legislation

The **European Union and Trade Act 2019**. The Act provides broad enabling powers for EU law to be retained, amended or modified in order to accommodate the new relationship. It also provides a broad power to give effect to any legal obligations that apply to the Island.

In addition, under the Act, the Department of Environment, Food & Agriculture has retained all EU legislation relating to trade in agricultural products that are relevant to the Isle of Man with analogous changes to those made in the UK. All SPS legislation has been retained under the Act in order to ensure continued alignment with the legislation in Great Britain.



Office of The Chief Minister

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General application

The **European Union and Trade Act 2019 (UK-EU Trade Agreement) Regulations 2020** make provision for the general implementation in the Island of the Trade and Cooperation Agreement so far as the agreement applies to the Isle of Man. The Regulations also provide that the arrangements in the VAT Protocol to the UK-EU Trade Agreement have effect in the Island. The provisions of these regulations are based on clauses 22, 29 and 30 of the European Union (Future Relationship) Bill as introduced into Parliament.

Goods

Customs and Excise Agreement. The Isle of Man has a unique Customs and Excise Agreement with the United Kingdom, which underpins the customs legislative and procedural framework in the Isle of Man.

That Agreement provides that:

- The Isle of Man Government agrees to keep the law relating to the management of the Customs and Excise revenues and associated control functions correspondent with that of the UK and to legislate to maintain that correspondence whenever necessary and, in particular, when changes are made in relevant UK law;
- The Isle of Man Government agrees to keep all Customs and Excise revenues at the same rates and subject to the same conditions and reliefs as in the UK;
- The Isle of Man will from 1 January 2021 use the Taxation (Cross-Border Trade) Act 2018, as it has effect in the Island [SD 2019/0080] as its primary customs legislation. Under that Act, the Isle of Man has also made a number of Regulations, corresponding to those made in the United Kingdom, including but not limited to:
 - **Customs (Import Duty) Regulations 2019;**
 - **Customs (Special Procedures and Outward Processing) Regulations 2019;**
 - **Customs Transit Procedures Regulations 2019.**

It is therefore the case that any customs duties applied (or reduced) by the UK in relation to TCA, will apply automatically to the Isle of Man.

Furthermore, the European Union and Trade Act 2019 has retained direct EU legislation [[SD 2019/0064](#)], to retain certain EU Regulations relating to customs, in particular, authorised economic operators.

In addition, customs procedures follow those of the United Kingdom and, therefore, as long as the UK procedures meet those criteria, then Isle of Man procedures will too.

Protocols on Exchange of information & VAT

The Isle of Man uses UK customs systems (CHIEF/CDS). Any imports into the IOM will be recorded on the UK's CHIEF/CDS systems and will be included in the statistics for the United Kingdom.



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Section 26 of the Taxation (Cross-border Trade) Act 2018, as it has effect in the Island [[SD 2019/0080](#), as amended], has effect for the purpose of customs co-operation.

Statutory information-sharing gateways are also in place under:

- Customs and Excise Management Act 1986 (of Tynwald) – see section 174B regarding the disclosure of information held by the Isle of Man Treasury (and section 184(1) for the definition of “assigned matter”);
- Customs and Excise Acts (Implementation of 1979 Agreement) Order 1980 [GC 28/80, as amended] – see article 7 and 8 regarding the exchange of information with HMRC and Border Force. This is the IOM equivalent of section 10 of the Isle of Man Act 1979.

It is anticipated that the UK will be the central hub for receipt and dissemination of requests to the IOM, and therefore the IOM would follow the procedures and practices of the UK in relation to co-operation.

For the sake of completeness, the VAT Protocol is given effect by the European Union and Trade Act 2019 (UK-EU Trade Agreement) Regulations 2020 (see above).

SPS & TBT

Organics & Wine Annexes

Domestic legislation governing organics and wine have been made and are operable from 1 January 2021.

The relevant modifications to Regulations 834/2007, 889/2008 and 1235/2008 pertaining to Organic in the [European Union and Trade Act 2019 \(Deficiencies\) \(DEFA\) \(No. 2\) Regulations 2020](#) were approved by Tynwald on 23 November.

In addition the relevant modifications to retained EU law in respect of wine also contained in the (No. 2) Regulations of the European Union and Trade Act 2019 (Deficiencies) (DEFA) have been approved by Tynwald.

Fisheries

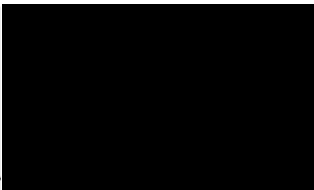
Sea Fishing Licensing (Amendment) (No.2) Regulations 2020. These Regulations give effect to the provisions set out in the Fisheries heading as they apply to the Isle of Man, in relation to access to the Island’s territorial waters, for the vessels of certain Member States in line with the access they would have enjoyed on 31 January 2020. They amend previous Sea Fishing Licensing Regulations in order that the ‘reference period’ and ‘track record’ correspond with those set out in the TCA.

I trust that this letter provides the basis upon which the UK Government might now provide the necessary assurances that the Isle of Man is compliant with its obligations under the UK-EU Trade and Cooperation Agreement. I am copying this letter to the Lord Chancellor.



Office of The Chief Minister
Oik yn Ard-Shirveishagh

Yours sincerely



Hon Howard Quayle MHK
Chief Minister

Look forward to catching up in the new year!

Appendix 3

UK – EU Trade and Co-operation Agreement – IOM Applicability	Reference	Page nos.
Territorial Extent Clauses - IOM	Part Seven: Final Provisions Art Fin Prov 1: Territorial Scope Part Two, Heading Six, Art OTH. 9	402 279 - 281
Chapter 1. National Treatment and Market Access - Goods	Part Two, Heading One: Trade	18 - 27
Chapter 2. Rules of Origin	Part Two, Heading One: Trade	27 – 41 & 415 - 485
Chapter 3. Sanitary and Phytosanitary Measures	Part Two, Heading One: Trade	41 - 53
Chapter 4. Technical Barriers to Trade	Part Two, Heading One: Trade	53 - 61
Chapter 5. Customs and Trade Facilitation	Part Two, Heading One: Trade	61 - 74
IP – GIs (covered by virtue of UK registration of IOM GIs)	Art. IP23	133
Heading 5: Fisheries	Part 2 Heading 5, Art. Fish 10,11,16,17,19	261
SPS Annex – SPS checks	SPS 1	486
TBT Annex – Motor Vehicles	TBT 1	487 - 491
TBT Annex – Medicinal Products	TBT 2	492 - 503
TBT Annex – Chemicals	TBT 3	504 - 506
TBT Annex – Organics	TBT 4	507 - 514
TBT Annex - Wine	TBT 5	515 - 524
Annex Customs – 1 AEOs		525 - 529
Protocol on Administrative Co-operation and Combating Fraud in the field of VAT and on mutual assistance for the recovery of claims relating to taxes and duties		1062 -1125
Protocol on Administrative Co-operation and Combating Fraud in the field of VAT and on mutual assistance for the recovery of claims relating to taxes and duties		1126 -1131

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/948119/EU-UK Trade and Cooperation Agreement 24.12.2020.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/948119/EU-UK_Trade_and_Cooperation_Agreement_24.12.2020.pdf)