



Department for
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Our Ref: MCB2019/01918

RECEIVED

21 MAY 2019

17th May 2019

Dear Tom,

Thank you for your letter of the 24th April. Many of the questions refer to issues that are the responsibility of my Ministerial colleagues in other Government Departments, however, I have endeavoured to answer on their behalf, to the extent possible.

As we leave the EU we are seeking to replicate all existing EU free trade agreements and other EU preferential arrangements, to first ensure continuity in our trading and investment relationships with third countries. Nonetheless, the UK's exit from the EU means that we will make decisions about the content of the large number of treaties which we will enter to govern future partnerships. The Government will be considering all options in the design of those future agreements.

You asked whether the UK would replicate the EU's 2013 Guidelines on the eligibility of Israeli entities and their activities in the illegal settlements, for grants, prizes and financial instruments funded by the EU. The UK's participation in EU programmes is dependent on our withdrawal from and future relationship with the EU. Until such a point that the UK ceases to fund and participate in EU programmes, the EU's 2013 guidelines will continue to apply. The UK will review all options, including the subsequent rules that would apply, should we develop UK-led programmes in the future.

With regard to your question about the territorial application of the 1962 UK-Israel agreement on the avoidance of double taxation (amended in 1970). This agreement applies on the basis of whether a person is tax resident in the UK or in Israel. The exception to that is Article XXI of that agreement which prevent discrimination on the basis of nationality. Whether the agreement applies to a UK national residing in the Occupied Territories will therefore depend on the particular circumstances of that person.

Finally, you asked about the territorial definition of the 1957 social security agreement. I can confirm that the Department for Work and Pensions continues to apply and enforce the 1957 social security agreement to the territory administered by the Government of Israel on the 19th of July, 1956, to the extent applicable.

*Yours sincerely,
Liam*

THE RT HON DR LIAM FOX MP
Secretary of State, Department for International Trade
& President of the Board of Trade