



ISLE OF MAN
TREASURY
Yn Tashtey



Isle of Man
Government

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Scope

- Background
- What has changed?
- How it will work?
- What will the impact be?
- Your thoughts and observations?



Pre-BREXIT

- Articles 34 and 35 of the Treaty on the Functioning of the European Union prohibit restrictions on the movement of goods and produce
- This treaty obligation bound Isle of Man Government to treat the purchase of goods and services supplied by any other party to the Treaty in no less favourable a manner than the goods and services supplied from the Isle of Man domestic market.
- The lawfulness of the application of Articles 34 and 35 of the Treaty tested during the case of Manx Ices Limited (2001).
- Commission v Ireland (C-249/81) - The Irish Goods Council administered 'Buy Irish' campaign.



Post-BREXIT

- General:
 - WTO Treaty Obligations (GATT, GATS and TRIPS)
 - Fair Trading Act
- Government Specific:
 - UK Negotiated Free Trade Agreement
 - Chapter concerning liberalisation of government procurement
 - Government Procurement Agreement (2012)
 - WTO tender threshold - £116,407 (ex-VAT)



What has changed

- Spend below the tender threshold will be directed towards Isle of Man based suppliers in the first instance.
- Exact administrative detail is still being finalised:
 - For contacts of a value below £10,000 Financial Regulations will be amended to instruct officers to seek prices from IOM suppliers only
 - For contracts of a value between £10,000 and £100,000 the Government Procurement Portal will direct a quick quote request to IOM based



Impact

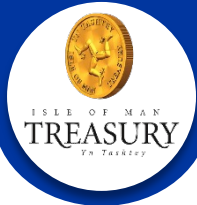
- Typical 'relevant' annual spend in the region of £180 million*
- £50 million* below the tender threshold (94% of transaction)
- Approximately £40 million subject to quick quote

**please note that this figure is an approximate estimate and should not be considered as an official or exact number*



What do we do if?

- If goods or services are not available within the Isle of Man market, should quote requests still be directed to local suppliers first?
- What is a reasonable timeframe for a quote to remain open to Isle of Man-based suppliers before considering off-Island suppliers?



Any Questions?

