<u>Government introduces bill to fix the</u> <u>Northern Ireland Protocol</u>

- bill ensures the delicate balance of the Belfast (Good Friday) Agreement is protected in all its dimensions and provides robust safeguards for the European Union (EU) single market
- introduces durable solutions to fix the four key issues with the Protocol
- legislation will remove unnecessary costs and paperwork for businesses

The government has introduced legislation today (Monday 13 June) to fix parts of the Northern Ireland Protocol – making the changes necessary to restore stability and ensure the delicate balance of the <u>Belfast (Good Friday)</u> <u>Agreement</u> is protected.

The Northern Ireland Protocol Bill will allow the government to address the practical problems the Protocol has created in Northern Ireland in 4 key areas: burdensome customs processes, inflexible regulation, tax and spend discrepancies and democratic governance issues.

These problems include disruption and diversion of trade and significant costs and bureaucracy for business. They are undermining all 3 strands of the Belfast (Good Friday) Agreement and have led to the collapse of the powersharing arrangements at Stormont. The UK government is committed to seeing these institutions back up and running so that they can deliver for the people of Northern Ireland.

Following 18 months of discussions with the EU, the UK's preference remains for a negotiated solution to fix these problems which are baked into the Protocol. But the EU must be willing to change the Protocol itself. Ministers believe that the serious situation in Northern Ireland means they cannot afford to delay.

Foreign Secretary Liz Truss said:

This Bill will uphold the Belfast (Good Friday) Agreement and support political stability in Northern Ireland. It will end the untenable situation where people in Northern Ireland are treated differently to the rest of the United Kingdom, protect the supremacy of our courts and our territorial integrity.

This is a reasonable, practical solution to the problems facing Northern Ireland. It will safeguard the EU Single Market and ensure there is no hard border on the island of Ireland. We are ready to deliver this through talks with the EU. But we can only make progress through negotiations if the EU are willing to change the Protocol itself – at the moment they aren't. In the meantime the serious situation in Northern Ireland means we cannot afford to allow the situation to drift. As the government of the whole United Kingdom, it is our duty to take the necessary steps to preserve peace and stability.

The legislation enables the government to bring forward durable solutions in each of the 4 key areas. The solutions are:

- green and red channels to remove unnecessary costs and paperwork for businesses trading within the UK, while ensuring full checks are done for goods entering the EU
- 2. businesses to have the choice of placing goods on the market in Northern Ireland according to either UK or EU goods rules, to ensure that Northern Ireland consumers are not prevented from buying UK standard goods, including as UK and EU regulations diverge over time
- ensure Northern Ireland can benefit from the same tax breaks and spending policies as the rest of the UK, including VAT cuts on energysaving materials and Covid recovery loans
- 4. normalise governance arrangements so that disputes are resolved by independent arbitration and not by the European Court of Justice

These changes are designed to protect all 3 strands of the Belfast (Good Friday) Agreement, including North-South cooperation, and support stability and power-sharing in Northern Ireland. They will provide robust safeguards for the EU Single Market, underpinned by a Trusted Trader scheme and real-time data sharing to give the EU confidence that goods intended for Northern Ireland are not entering its market. The legislation also ensures goods moving between Great Britain and the EU are subject to EU checks and customs controls.

The UK's proposals protect the elements of the Protocol that are working, such as the <u>Common Travel Area</u>. It also contains a provision for it to be replaced by a negotiated settlement, if one is agreed with the EU.

It is consistent with international law and further information on the <u>government's legal position</u> has been published today.

The government has today also published a <u>'problems and solutions' explainer</u> <u>document</u> setting out each of the proposals in detail.

The UK has engaged extensively with the EU to resolve the problems with the Northern Ireland Protocol over the past 18 months. In the recent intensive discussions between October and March, the negotiating team held more than 300 hours of official and ministerial discussions and spent hundreds more examining the EU's non-papers in detail.

However, it has become clear the EU proposals don't address the core problems

created by the Protocol. They would be worse than the status quo, requiring more paperwork and checks than today. The EU have said they will not allow changes to the Protocol within its current negotiating mandate.

- today's introduction of legislation follows the <u>Foreign Secretary's</u> <u>statement to Parliament of 17 May</u>
- the Foreign Secretary, Liz Truss, and her predecessor Lord Frost, met with Vice President Sefcovic on 26 occasions to put forward and discuss comprehensive proposals to address the barriers between Great Britain and Northern Ireland – more than with any other international partner. To support these discussions, UK officials engaged in 18 weeks of technical discussions with their EU counterparts
- following the <u>Command Paper published in July 2021</u>, UK officials shared a further 17 papers with the European Commission covering a range of issues and proposals including data sharing, VAT and customs, in an attempt to find common ground
- alongside the Bill, the government has today also published: