## <u>Government outlines significant</u> <u>changes needed to make Northern</u> <u>Ireland Protocol sustainable</u>

- Command Paper outlines how Protocol is not working in its current form or delivering on its objectives.
- The Protocol will not be scrapped, but significant changes are needed to achieve a sustainable 'new balance' which puts UK-EU relationship on a stable footing. This is the only way to ensure protection for all dimensions of the Belfast (Good Friday) Agreement.

The Government has today, Wednesday 21 July, published a Command Paper setting out that it is seeking to negotiate significant changes to the Northern Ireland Protocol.

The document outlines how the Protocol is failing to deliver on some of its core objectives to minimise disruption to everyday lives, respect Northern Ireland's integral place in the UK's internal market and preserve the delicate balance in the Belfast (Good Friday) Agreement in all its dimensions – East-West as well as North-South.

The Government has tried to operate the Protocol in good faith, but the problems are significant and growing. Only this morning, the Chairman of Marks & Spencer has warned that they are having to delist products in Northern Ireland because of the way the Protocol is currently working.

The Government is therefore seeking to agree a sustainable solution that achieves a new balance which better reflects the unique circumstances of Northern Ireland and meets all the objectives of the Protocol. Economic, political and cultural ties that exist East-West must be treated with the same sensitivity as those that exist North-South. This is essential for ensuring that UK-EU relations are put onto a stable, more positive trajectory.

The Command Paper makes it clear that the Government has considered the case for triggering Article 16 and believes that there are clear grounds to justify using it. This option remains within the framework of the Protocol. However, we do not believe it is in the best interests of Northern Ireland to invoke safeguard measures at this time. We would rather seek a consensual approach with the EU, to agree stable, durable solutions that can work for Northern Ireland, the wider UK, and the EU, well into the future.

For this to happen, significant changes are need to the arrangements covering trade in goods and the institutional framework. These include:

Implementing a more rigorous, evidence-based and targeted approach to preventing goods at risk entering the single market. We are ready to enforce in the Irish Sea EU customs rules on goods going to Ireland via Northern Ireland, but goods going to and remaining in Northern Ireland must be able to circulate near-freely and full customs and SPS processes should only be applied to goods genuinely destined for the EU. Ensuring that businesses and consumers in Northern Ireland can continue to have normal access to goods from the rest of the UK on which they have long relied. The regulatory environment in Northern Ireland should tolerate different standards, allowing goods made to UK standards and regulated by UK authorities to circulate freely in Northern Ireland as long as they remain in Northern Ireland.

Normalising the governance basis of the Protocol so that the relationship between the UK and the EU is not ultimately policed by the EU institutions including the Court of Justice. We should return to a normal Treaty framework in which governance and disputes are managed collectively and ultimately through international arbitration.

Lord Frost, Minister of State at the Cabinet Office, said:

The Protocol has failed to deliver on some of its core objectives and we cannot ignore the political, societal, and economic difficulties this continues to create in Northern Ireland.

That is why we need a new approach based on negotiation and the finding of a new and enduring consensus. There is a real opportunity to move forward in a way that protects the Belfast (Good Friday) Agreement and put UK-EU relations on a stable footing.

We urge the EU to grasp this opportunity, take full account of the issues at stake, and help deliver the brighter future that is within reach.

Brandon Lewis MP, Secretary of State for Northern Ireland, said:

The past few months have shown the current approach to the Protocol is simply not working. Already we have seen trade diverted, supply chains disrupted, and increased costs due to added bureaucracy. This is all having a considerable impact on everyday life in Northern Ireland.

The new approach we have set out today, based on negotiation and consensus, recognises that a sustainable solution will require significant changes to the way the Protocol is being approached. Working together we can find a new balance that better reflects the unique circumstances of Northern Ireland.

The Command Paper also sets out how the EU, the UK, the Irish Government, and the people and political parties of Northern Ireland, share a fundamental mutual interest in supporting and upholding the fundamental objectives that the Protocol exists to protect. However, we cannot keep lurching from deadline to deadline. Achieving a new balance requires pragmatism and compromise on both sides and a willingness to make the changes needed.

The Government stands ready to work at pace to resolve the issues and we invite the EU to join us in an intensive process that resolves these on a durable, sustainable basis.