

Speech: Secretary of State's speech to Northern Ireland Business Leaders

The Secretary of State for Northern Ireland, the Rt Hon Karen Bradley MP, today gave the keynote speech at an event at Belfast Metropolitan College, arranged jointly by the Confederation of British Industry Northern Ireland, the Federation of Small Business NI, the Institute of Directors NI and the Northern Ireland Chamber of Commerce. She told the audience of business leaders that the UK Government has made a decisive step forward towards delivering a Brexit deal which works for the businesses and people of Northern Ireland.

Thank you all for being here this morning and thank you in particular to the CBI, the Northern Ireland Chamber of Commerce, the Federation of Small Businesses and the Institute of Directors for organising this event.

This is a truly decisive moment for Northern Ireland and the whole of the United Kingdom. The Government has agreed in principle the terms for a smooth and orderly exit from the EU and the broad terms of our future relationship.

We are now close to a deal that will deliver in full on the result of the referendum. A deal that will see the UK take back control of our borders, our laws and our money.

And it is a deal that will see us uphold in full our commitments to the people and businesses of Northern Ireland:

- Protecting the Belfast (Good Friday) Agreement in all its parts – including the principle of consent, citizenship rights and human rights provisions;
- Avoiding a hard border and preserving North-South cooperation and funding;
- Preserving the Common Travel Area and reciprocal rights for UK and Irish nationals;

And, of course, maintaining the constitutional and economic integrity of the United Kingdom.

I am fortunate that I get to spend much of my time in this position speaking with political parties, with businesses, trade unions, third sector groups and people from all sides of the community here in Northern Ireland. I know that for all the great diversity of views that there are, everybody starts from the position of wanting to see the best interests of Northern Ireland protected. I believe this deal will do just that.

And I want to pay tribute to all of you here today, including members and representatives of the CBI, Chamber of Commerce, Federation of Small Businesses, and the Institute of Directors, for the thoughtful and constructive insights and contributions you have made over the past two and a half years which have helped to bring us to this point.

As Secretary of State, I have had the pleasure to meet businesses across the Northern Ireland economy, covering a wide variety of sectors, from agri-food to technology; life sciences to tourism, including the fitness software developer Statsports in Newry, the shipping company Surefreight International and green-tech developers Artemis Technologies.

These engagements have helped me to understand better the interests of Northern Ireland's businesses as we prepare to leave the EU, and to ensure that these interests have been represented as this draft Agreement was developed.

Stability and certainty for businesses underpins the thriving economy that we all want to see for Northern Ireland. So I hope that you will continue speaking up and speaking out on this deal and the benefits it brings for Northern Ireland in the coming crucial days and weeks.

As business leaders, all of you know how far Northern Ireland has come in recent years. I can tell you that today is the 20th anniversary of the Northern Ireland Act, which followed from the Belfast (Good Friday) Agreement the previous April and established the devolved administration. Sadly, Stormont is not sitting at present for reasons I don't need to go into and I am doing everything I can to restore the institutions.

But I think it is worth remembering that not only did this bring about the relative peace we all enjoy today and provided certainty on the constitutional status of Northern Ireland, it provided the platform for the Northern Ireland economy to prosper. You look around today at the burgeoning film and TV industry, tourism, creative industries, cyber security and investment and growth in many other areas to see the impact the Northern Ireland Act has had since 1998.

And all this has been at the forefront of our mind during the Brexit negotiations and is reflected in the deal we have reached.

Under the Withdrawal Agreement we have agreed:

- Protection for the rights of more than three million EU citizens living in the UK and around one million UK nationals living in the EU. Many of these citizens are of course employed by businesses in Northern Ireland and providing a vital contribution to our economy and society.
- A time-limited implementation period that provides a bridge to the future relationship, meaning businesses have the certainty and continuity they need to continue trading as now until the end of 2020.

- A fair financial settlement for UK taxpayers estimated to be between £35-39bn, resolving our obligations.
- A mechanism for resolving any disputes between the UK and the EU. First, disputes will be consulted on in a Joint Committee and, if no mutually agreed solution can be found, it will be resolved by an independent arbitration panel.
- Geographical Indications like Comber New Potatoes, Armagh Bramley Apples and Lough Neagh Eels will be protected until a future economic relationship is put in place.

And we have agreed an outline political declaration on our future relationship with the EU, building on the progress that has already been made and signalling the ambition of both sides to embark on a new, deep and special partnership after the UK leaves the EU.

At its heart, that partnership will comprise a free trade area for goods with zero tariffs and no quotas. This is combined with deep regulatory and customs cooperation and underpinned by provisions ensuring open and fair competition. This is the first such agreement between an advanced economy and the EU.

With all the withdrawal issues resolved the ground is now cleared to focus entirely on this for review by the Prime Minister, and the leaders of the EU27 which we hope can happen before the end of the month.

Even in the unlikely event that the UK's future relationship with the EU is not in place by the end of the implementation period, we have agreed a Protocol on which guarantees that there will be no hard border between Northern Ireland and Ireland and no customs border down the Irish Sea.

The agreement preserves the economic and constitutional integrity of the United Kingdom, upholds the Belfast (Good Friday) Agreement, and ensures people and businesses that rely on an open border between Northern Ireland and Ireland can continue living their lives and operating as they do now.

It does so through a temporary single customs territory between the EU and the whole of the UK, or, as an alternative to bringing in that backstop arrangement, an option for the UK to extend the implementation period for a short period of time until the new economic relationship is in place.

And it is important to reflect here just how much of a change this represents from the proposals initially put forward by the the EU. This agreement meets each of the clear red lines that the Prime Minister laid down:

- There will be no customs border down the Irish sea.
- There will be no hard border between Northern Ireland and Ireland, and

no physical infrastructure or related checks and controls;

- Northern Ireland's constitutional status is unequivocally guaranteed;
- The integrity of the UK's internal market, and Northern Ireland's place within it, is preserved; and
- Any arrangement will be explicitly temporary

The Protocol provides the insurance policy that businesses throughout Northern Ireland can rely on. It also provides for:

- A UK lock on new areas of law being applied without UK consent;
- Guarantees that UK bodies can continue to approve goods for sale throughout the UK market;
- The continued ability for NI businesses to sell into both the UK and EU markets;
- A recognition of the special nature of trade from GB to NI with a mutual commitment to facilitate trade and minimise assurance processes at NI ports and airports;
- UK trade deals to be available to all UK exporters with NI exporters able to benefit in full from future UK trade deals.

That is not to ignore, as the Prime Minister has made clear, that difficult and sometimes uncomfortable decisions have had to be made. But I do not accept some of the arguments which I have heard in recent days.

This deal does not open the door to divergence. The extent of EU law which would apply under the Protocol is limited only to regulatory elements necessary to avoid a hard border. And new areas of law cannot be added to the Protocol without agreement, and in that situation, the UK would ensure an appropriate role for the Northern Ireland Assembly, in line with our commitments.

But the practical reality is that there wouldn't be divergence, given the temporary nature of the Protocol. Neither the UK nor the EU wants or expects to move into this backstop. And there would be the choice to extend the Implementation Period – for the UK as a whole – instead of doing so. But if they do, the Protocol is clear that Article 50 should not be the basis of a permanent future relationship, with operative legal text clearly stating the

mutual objective that it be temporary, and that we will both use best endeavours to supersede the backstop. In the event that we believe it is no longer necessary, it provides a mechanism which either side can trigger to review the arrangements, which can lead to the backstop being terminated. And of course, the UK would also have the option of extending the implementation period rather than entering the Protocol.

I know that there have been some discussions about what would be the potential impact of new checks. Taking agrifood as an example, access to the EU single market for Northern Ireland businesses would necessitate an increased proportion of checks on live animals and on products of animal origin, but the deal provides clear protections.

As I have mentioned, it is made explicit that nothing in the Protocol will prevent unfettered access for Northern Ireland products in Great Britain, protecting NI to GB trade. For GB to NI, it is acknowledged by both parties that the checks at ports and airports and the licensing regime for movement of products from Great Britain to Northern Ireland are already well established and that these will continue to provide the platform for protection of public and animal health. The operative legal text makes clear that the Joint Committee will need to take into account the relevant regulatory regimes already in place when determining the practical arrangements for any checks. Additionally, the deal ensures that any relevant checks would always be carried out by UK or Northern Ireland authorities as is the case now.

As the Prime Minister has said there is no deal which delivers the Brexit people voted for which does not involve this Protocol. But I am also clear that in the unlikely event this is needed, the deal does not pose threat to our own precious union. Article 1 makes clear that the Protocol is without prejudice to the Belfast Agreement, expressly respects the territorial integrity of the UK and the principle of consent. The Agreement is the cornerstone of Northern Ireland's constitutional status. So protecting the Agreement in this way will protect Northern Ireland's constitutional position as part of our United Kingdom.

In summary, the Protocol – if it ever needed to come into force – would act as a safety net for Northern Ireland's economy, avoid a hard border on the island of Ireland and a customs border down the Irish Sea, take Northern Ireland out of the EU's Common Fisheries and Agricultural Policies, and ensure Northern Ireland could benefit from UK free trade agreements.

Negotiations will now continue to finalise the full Political Declaration on our future relationship, focusing on adding detail, defining further what balance of rights and obligations should apply in the context of trade in goods, and identifying which additional operational capabilities should be prioritised for consideration in the context of internal security.

Both sides are determined to conclude the full Political Declaration by the 25 November European Council, bringing the Article 50 negotiations to a close.

Once agreed, we will then put the final deal to Parliament and MPs will have to decide whether to back or reject it. But they should not be under any illusions that the EU will be prepared to start all over again and negotiate a different deal.

Debate inside and outside of Parliament will rightly be robust, lively and in the best democratic traditions of this country. And I would again encourage you and your members to make sure that your voice is heard throughout this process, so that the crucial benefits for businesses across Northern Ireland are made clear.

Because the country now faces a choice – between this deal, the only workable deal that fulfils the will of the referendum, or back to square one on Brexit.

Clearly, this is a deal that has involved some difficult choices at times and an element of compromise. That is an unavoidable fact of negotiations and I accept not everybody is going to agree with every point of detail or choice that we have made.

But it is fundamentally a deal which is in the national interest. It is a deal that will protect jobs, our national security and the integrity of our precious United Kingdom.

A deal which means we can look ahead to a close and productive future relationship with the EU.

A deal which means we will be able to sign and implement ambitious free trade deals around the world, while maintaining zero tariffs and zero quotas with one of our most important trading partners.

A deal which delivers for the businesses and people of Northern Ireland and across our United Kingdom.

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