

Protocol on Ireland/Northern Ireland Sub-Committee

Corrected oral evidence: The Windsor Framework

Wednesday 19 April 2023

3.15 pm

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Members present: Lord Jay of Ewelme (The Chair); Lord Dodds of Duncairn; Lord Empey; Lord Hain; Lord Hannan of Kingsclere; Baroness O'Loan; Baroness Ritchie of Downpatrick; Lord Thomas of Gresford.

Evidence Session No. 3

Heard in Public

Questions 25 – 34

Witnesses

I: Stuart Anderson, Head of Public Affairs, Northern Ireland Chamber of Commerce and Industry; David Brown, President, Ulster Farmers' Union; Mark Tait, Director, Target Transport Ltd.

Examination of witnesses

Stuart Anderson, David Brown and Mark Tait.

Q25 The Chair: Good afternoon to all of you, and welcome to this public meeting of the Protocol on Ireland/Northern Ireland Sub-committee. Today, we are holding the third evidence session of the committee's inquiry into the Windsor Framework, and the committee will continue to take oral and written evidence over the coming weeks in order to inform its detailed report on the framework, which we expect will be published ahead of the Summer Recess in July.

We are joined remotely today by three business representatives: Stuart Anderson, head of public affairs at the Northern Ireland Chamber of Commerce and Industry; David Brown, president of the Ulster Farmers' Union; and Mark Tait, director of Target Transport. All three of you are extremely welcome. We are very grateful to you for being with us today, and we very much look forward to your evidence.

I would be grateful if, the first time each of you speaks, you could introduce yourself. We know who you are, but those who are listening to the session or reading the transcript afterwards may not, so that would

be very helpful. Today's meeting is being broadcast and a transcript will be made available for subsequent publication, which will be sent to each of you to check for accuracy. I would like to refer you to the list of Members' interests as published on the committee's website.

With that introduction, perhaps I could ask the first question, to each of you, to get us going. What is your overall assessment of the Windsor Framework? How far do you think it resolves the problems that have arisen with the protocol? Are there any issues that it leaves unresolved and which we should be focusing on, and how might they be resolved as time goes on?

Stuart Anderson: Thank you for the invitation. As you said, I am the head of public affairs at the Northern Ireland Chamber of Commerce, and part of the Brexit working group along with another 14 business organisations.

We have had about six weeks or so to reflect on this, to engage with our members, and to give it some thought. At the top end, it is fair to say that this achieves our number one ask, not reflecting on the content: that this is a deal comprising joint solutions between the UK and the EU. Stability between those two markets is pivotal for business and for trade, as borne out in our quarterly economic survey in Q1 of this year, where we asked very simply what was seen to unlock growth in Northern Ireland in these challenging times. The largest category of respondents—three out of five—came forward and said a deal between the EU and the UK. That is not a reflection on the terms of the deal itself; it is just an indication that joint solutions were a priority.

We all recognise that there are politically sensitive issues at play here, but from a business perspective, and certainly from a Northern Ireland chamber perspective, there were a number of objectives that we wanted to see fulfilled through this process. At the front end is the protection of the consumer and Northern Ireland households. There, particularly in relation to medicines, we have seen movement to allow a single UK approval for medicines on the shelves right across the UK. That is to be welcomed, but, in concert with that, what has to be welcomed is the fact that, in doing that, our life sciences firms have preserved access to both markets. It is a high-growth industry for Northern Ireland, and it is an often understated element of what has been agreed.

There are also some easements—others can come on to these in detail—to do with the protection of the consumer, the illustration being that goods placed on the shelves in Birmingham should be here and available in Belfast. We have seen movement on a number of things, like chilled meat, sausages, seed potatoes, et cetera. The challenge is that some of these moves are so significant that we have not seen full implementation of the protocol, so for the ordinary person it is difficult to see how some of these moves protect the Northern Ireland consumer. Also, there is an attempt to minimise the cumulative burden on businesses, crucially for those moving goods within the UK and those moving goods that fall within this new scheme which, again, we can come on to.

The challenge we have here is there is still a lack of operational detail, particularly in respect of the customs issues and how the red lane and the green lane will be constructed. I hope to see that come forward in the weeks and months ahead. There are other issues, which I am sure David will touch upon, like veterinary medicines and tariff rate quotas. Solutions have been brought forward for UK steel, but there are still questions outstanding in relation to TRQs on agri-commodities and some others.

To be honest, what is important is that the relationship between the EU and the UK is strong. What matters now in the implementation is that we are honest about the challenges, the opportunities and the difficulties. If that relationship is strong, let us put it to the test now and get this up and running and off to a good start.

The Chair: Thank you for that. Your point about the lack of and need for operational detail is very apt. That, indeed, is one of the things we really want to focus on in this inquiry, so that is a very good start.

Mark Tait: Thank you for the invitation. I am obviously speaking on behalf of my colleagues in the Road Haulage Association. I am a managing director of a small family-run freight forwarding service that employs three people. I would, in some ways, agree with what Stuart has just said about the operational aspects of the Windsor Framework, because my first point to your question was, "I don't know yet". I heard it will affect us, especially in the haulage sector, because we do not have enough information.

We had two publications after the Windsor Framework was announced. One was from the UK Government, which you read and thought, "Well, this looks wonderful". Then, you read the EU's publication and thought, "Hmm, maybe not quite so wonderful". We need more information on the operational aspect of moving goods between Great Britain and Northern Ireland.

Again, that very much depends on what sector you are working in. Stuart referred very much to the retail sector. I do not work in the retail sector—we can come on to some of the other aspects later—but, from what we can read, I would say that it could make our life much more difficult than our current position, even under the easements that we are working with as opposed to what may be coming down the line.

Until we get that operational aspect of what we need to do in practice to move the goods in relation to customs, red lanes, green lanes, whatever you want to call them, we do not yet know how it will affect us. We need to see that detail and we need to see it quickly rather than months away, because some of this is coming in in October. Unlike the previous information we were given just before the trader support service started in 2021, we saw it about a week before Christmas. We need a lot more information and we need it a lot sooner than implementation.

The Chair: Thank you very much indeed. David Brown, for our last introductory comment.

David Brown: I am president of the Ulster Farmers' Union. Again, thank you for the invitation to speak to you folks today. We represent over 12,000 members across all the various sectors and all the commodities in agriculture. It is fair to say that some of those folk had adjusted to the protocol as it was and learned to work with it. Fundamentally, it was working for them, while for others it had created numerous difficulties.

The Windsor Framework has addressed some of those concerns, concerns which the Ulster Farmers' Union has been highlighting for the past two years, some of which are specific to seeds and plants and so forth. No doubt we can come on to that in more detail. Those adjustments and the changes that have been highlighted are very welcome. It is understandable that government would wish to highlight the things that have been changed. The horticulture sector, for example, has pointed to many common varieties of plants and trees like birch, hazel and hawthorn that are still prohibited and cannot come into Northern Ireland and which those who live in rural areas will know make up the hedgerows and so forth. So although we have seen many issues addressed in the protocol, there are still a lot that would need technical solutions; that may be the best way of putting it. I know reference has been made to veterinary products, plant protection products and various other things that obviously from an agricultural perspective need resolution.

Mark is probably better placed to comment on this, but if the green lane/red lane aspect of it can free up movements and help consumers to reduce cost, fair enough. We would obviously welcome that too, because ultimately farmers are consumers as well as producers. When it comes to the red lane piece, we are conscious that grain and feed coming in for animals, plant protection products and so forth will still end up in that red lane.

If I were to summarise, the difficulty we have is with the operational detail that Stuart alluded to. A lot of that has not come down, as we have discovered over the past two years with the protocol. It was not until an individual business or firm discovered something that was not working and then brought the question to us that we realised that. We really need those processes to be tested and tried. We are six, seven weeks into it without a level of detail that would give us the confidence.

Broadly speaking, we absolutely welcome the things that have been addressed. For farmers, disappointingly, we are still working on things like livestock movements and so forth. It seems like we have been working on them for the past two years, and we still want resolution to those things. Generally speaking, it is the things that we do not know or have not seen the detail of that will probably raise concerns going forward, but we welcome the things that have been addressed.

The Chair: Thank you very much, all three of you. You have all emphasised the need for more operational details on a number of issues, and we will come on to the issues you have mentioned later.

Q26 **Baroness Ritchie of Downpatrick:** You are very welcome, gentlemen.

We have had much discussion post protocol and pre the Windsor Framework about the democratic deficit. What is your assessment of the proposals to address the democratic deficit under the protocol, including the Stormont brake and the Commission's proposals for enhanced engagement with stakeholders in Northern Ireland? In what specific ways would you wish to see the UK and the EU engage with all forms of businesses and business regarding the operation of the framework?

Stuart Anderson: It is a good and fair question. The joint political declaration acknowledges the valuable role that stakeholders have played over the last three years. Certainly, that is a view we heard repeatedly from the UK and the EU. One thing we would be keen to emphasise is that the role of the stakeholders needs to continue independent of officials, of government.

There are various reasons for that. The first is independence. The second is our expertise. The third is that we are commercially driven by real-world experience, so there is a need not to confuse that experience with that of officials. I will address each of those issues in terms of what has been done to date. The existing structures have been quite disappointing in how they have been utilised with stakeholders. Our engagement to date has been ad hoc. It has been reactive rather than proactive, so issues, whether they relate to steel, to organics or to various other issues, have been dealt with at the last minute. That needs to change if we are to drive stability, which is acknowledged in some of the changes that have been proposed.

On the EU side, one thing that we have been calling for and which seems to have been brought forward in its own proposals is the notion of a stakeholder impact assessment in Northern Ireland as part of the EU Commission's programme. That is crucial, and it would have been really valuable over the last number of years.

On the infrastructure—for want of a better expression—that has been added to the existing structures, it is important to note and for it not to be misunderstood that, although the roles for officials are clear, the stakeholders' role needs to be clarified further. For example, we have a specialised goods body in respect of VAT, and sub-groups that will sit below the joint consultative working group where there are references to engagement with stakeholders, but that needs to be brought out and we need to understand what that is. The challenge for us is that this will require a significant amount of resource and expertise, but until we know how often and how frequent they are and who we are actually engaging with, it will be difficult to know what resources are required.

Baroness Ritchie of Downpatrick: In what ways would you like to see the UK and the EU conduct that engagement with business on the operation of the framework? Does that require a structure or simply the existing structures to work in a much more enhanced way?

Stuart Anderson: Yes, I think it does. One of the challenges we have seen, and I am sure David can speak to this from an agri-perspective, is

that when you have an issue and you approach the EU and the UK, you will get a different set of advice in relation to the same problem. In terms of engagement, there is an important role to be played on the UK side with the UK engaging directly with stakeholders. Also, the existing structures need to facilitate a form of engagement where the EU and the UK engage directly with stakeholders so that there is clarity as to the problem and the solution.

There is also a lot of complexity around who is actually involved on the official side. I would like the UK Government to say what role UK officials will play. When I say UK officials, I mean central government. What role will NICS officials play, and how will they engage with the respective stakeholders as a result? Those are questions that we are waiting to be answered at this moment in time.

Baroness Ritchie of Downpatrick: Thank you, Stuart. David, from the agri-food and UFU perspective.

David Brown: On the democratic deficit and in terms of the Stormont brake, I have more or less warned our members that, as the Northern Ireland Office has described it to me, this will be in extreme circumstances. It would need to be cross-cutting across situations where it affected communities. Ultimately, I do not envisage the Stormont brake sorting out the plethora of issues in agriculture that need to be resolved. A lot of those issues are technical and at a level that I would like to think would be discussed, debated and resolved long before it ever became political or got to that level. The description I have of the Stormont brake does not make me feel that it will stop animal health law and all the various other things that might be under way from the EU.

To the second part of your question, it has been indicated to us that there would be an agri-food sub-group. I have no detail yet on how that might work, but in any engagement that we have had thus far, as Stuart has described, a UK-EU joint committee is somewhat distant from the businesses on the ground, which tend to have continuity in their CEOs or the people who are at the head of them and they can envisage not only the problems but, indeed, potential solutions. If business is allowed to input into those solutions, they will be more durable and are more likely to work, I suppose, even in the first instance.

In reality, taking the example of plant protection products, there is a level of complexity around the various iterations of different chemicals and so forth that it is beyond even those of us who work in the industry to work with. Fundamentally, it takes somebody with that technical knowledge—I have to admit that it even stretches us in the Ulster Farmers' Union at times—to be able to recognise that if we can get to the right people with the right information, perhaps the decision of correction that is anticipated will work and be more durable.

Baroness Ritchie of Downpatrick: Thank you, David. Mark, from the road haulage perspective.

Mark Tait: Thank you. Again, I agree with David on the Stormont brake aspect. From the haulage point of view, I do not know that the Stormont brake will have much input into or much effect on our industry as such. Obviously trying not to be political, because I am talking from a business point of view, again I agree with David in some respects that it will not be a major silver bullet to a democratic deficit. I do not see Stormont, if and when it is running, having a veto or even the UK having a veto. It is clear that it will be used, or it will be asked to be used, in very limited circumstances. I will not say any more on the Stormont brake, because I do not really know enough about that part.

Over the past two years, from the Road Haulage Association point of view the engagement between the UK and the EU has been very frustrating. Obviously the Road Haulage Association represents a large number of haulage companies in Northern Ireland as well as the UK and Ireland in general. Stuart mentioned that his part of the business is in the Brexit working group, an organisation the Road Haulage Association was excluded from. It has been very frustrating for us not to have input in that group. If there is to be some form of additional engagement with business, everyone has to be able to engage, not just a select few or those who may or may not agree with people. You may not like the answer, but you have to listen to what people are telling you.

The Road Haulage Association pointed out difficulties from day one, which sometimes was uncomfortable for some people to listen to, but unfortunately most of the things that we have talked about with moving goods has proved to be correct. If there is going to be engagement at UK and EU level, they both need to listen to everybody, all stakeholders in business, not just those they wish to speak to, or even those who are currently in those organisations. It needs to be opened up to a wider aspect of businesses and business groups.

Q27 **Lord Hain:** Thank you. It is good to have you with us. To what extent does the Windsor Framework protect Northern Ireland's distinctive access to the European single market and to the UK market—it is obviously unique in the UK in that respect as well—and how does that play out with larger and smaller firms? Stuart, you made an interesting observation in passing about life sciences technologies and the businesses there, which are obviously an important future growth area, and how important access to the single market was for that. Perhaps you could comment on the wider picture of access to both and how that plays out for smaller and larger businesses.

Stuart Anderson: On the previous question about engagement, it is entirely within the gift of the EU and the UK as to when and to whom the Brexit working group chooses to engage. It had a very clear position, in a paper published in June 2020, on the challenges of the protocol and where those difficulties were.

On the framework and its impact on larger or smaller firms, it is fair to say that for some of the larger firms in our organisation—we have 1,000 members, both large and small—we have the benefit of seeing the

spectrum of experiences. We have been surveying our members and have a consistent question about adaptation to the existing arrangements. Over time, we have seen that more firms have adjusted. Some have found it difficult to adjust, some have found it not so difficult. That tends to be driven by economies of scale. The larger firms have are also better set up to deal with international markets and customs and have been able to do that.

The challenge of the “at risk” test, particularly for a number of our SMEs that are heavily reliant on the movement of goods between GB and Northern Ireland, is what that “at risk” test looks like in practice. We have seen movement for commercial processing. The threshold was sitting at £500,000 for an annual turnover. That has now moved to £2 million for movements between GB and Northern Ireland to fall within the green lane scheme. That is important, but there are those, particularly in manufacturing, that will still fall outside that and then still by default fall to the red lane.

I get two different answers. Some firms are saying, “That’s okay. We’ve adapted to it”. One life sciences firm, for example, operates in medical devices. It has a factory here in Northern Ireland and another one in GB and it move products continually between both premises, subject to the rigours of the current customs processes and controls. It is just happy to see some form of stability.

On the other hand, some businesses in our membership are moving goods between GB and Northern Ireland and are still caught by that “at risk” test. They may not sell much into the Republic of Ireland, so are struggling to see the real benefits of the Windsor Framework for them over and above there being some stability and some stable solutions to the framework. Again, I think the question comes down to that operational detail, as we have said from the outset.

I contacted HMRC yesterday, and I understand that some of that—certainly phase one—will come out imminently. To be honest, one failing in this process has been that the Windsor Framework was announced, but businesses were not clear about the timelines for when it was going to be introduced. Then there was a degree of panic and a degree of looking for operational detail. Perhaps what we did not do was sit back and reflect on where those opportunities were.

Lord Hain: To be clear, what about the relative ease with which larger firms cope with bureaucratic stuff—electronic form filling or physical form filling and that kind of thing? As I understood it, you said that smaller firms found it more difficult. Is that to do with the obvious ability of larger firms to absorb the extra costs of form filling and so forth?

Stuart Anderson: Yes, principally. The other question is regulation. Larger firms are typically better resourced with regulatory expertise to manage any regulatory challenges between GB and Northern Ireland. Smaller firms do not have that capacity or resource. Even if you take the interpretation of the framework itself, we have legal documents that are

not in plain English, and if you are an SME—SMEs account for nine in 10 of our businesses here in Northern Ireland—they will be really challenging to interpret, whereas some of our larger firms with their own legal departments can work through them and maybe work out where the potential challenges are.

Lord Hain: Thank you. That is very useful. Mark.

Mark Tait: Again, in many ways I agree with some of what Stuart says there. From our point of view, again it depends on the market you are dealing with. As Stuart was saying, if your market is predominantly GB to NI—as Stuart has alluded to, many of our small businesses rely on that GB supply market and have found that proportionately difficult as it is—it would appear that the green lane, if you want to call it a green lane, will apply only to the retail sector. Everybody else, like me and all my customers, will now be locked into a red lane.

Lord Hain: Could you explain why?

Mark Tait: If you read the EU's papers, the EU states that if you cannot guarantee that the product is being sold to an end user—in other words, a consumer in Northern Ireland—which obviously relates really to retail, because all the publications relate to the retail sector, if you cannot prove that those goods are being sold and consumed in Northern Ireland by a Northern Ireland consumer, they are classed as "at risk".

From my point of view, and as Stuart has alluded to, for some of my customers 90% of their sales are business-to-business sales, not business-to-consumer sales. Ninety per cent of those could be in Northern Ireland and 10% cross-border, but because 10% are cross-border it affects 100% of the movement of goods. So 100% of the movement of goods is classed as "at risk" because of a small minority of goods that they sell cross-border.

Lord Hain: Sorry, that is quite important detail. Does this burden fall on you as the haulier?

Mark Tait: The way the current trader support service has been set up, it was very clear from day one that if you are a large haulier operating bulk, one product at a time ready for Tesco, Asda, Sainsbury's, that is quite straightforward, but for us, where we are bringing multiple pallets on multiple products from multiple customers, it is very bureaucratic. It was clear that in order to comply with the regulations to get the goods moved, it was never going to be possible for the customer here, or even the supplier in GB, to do much of the paperwork, so it then landed on us to have to do it.

Many of the guys I work with and speak to on a daily basis are now concerned that we could end up red lane-ing every item of freight that we move. The issue with that is that we are currently operating under simplified customs procedures. If we move to red lane, we move to full EU customs controls, checks and declarations, which could have a

significant impact on the amount of bureaucracy we have to complete to move those goods.

Lord Hain: How are you going to avoid that?

Mark Tait: We cannot, because the EU publications basically say that unless it is end-consumer retail use, everything else will go through the red lane. Unless we are grossly wrong here—we do not think we are, because we have asked legal experts who have delved into this, and as far as they can say we are correct—all commercial goods will be classed as red lane because they are all classed as “at risk”.

Lord Hain: Thank you, Mark. That is very interesting. David, on the general questions that I have asked both colleagues.

David Brown: I will address the first one, which is access to the EU marketplace. To give folks an understanding of Northern Ireland’s agri-food sector, we have a population in Northern Ireland of 1.9 million and yet we produce food for 10 million. Now, 6 million to 7 million of those are in GB, but that leaves 1 million to 2 million who are in the EU and, indeed, beyond in the rest of the world. Fundamentally, that is and has been under the previous protocol and under the Windsor Framework, which has retained that unique access to the EU marketplace, which is essential for the agri-food sector in Northern Ireland.

Lord Hain: Could you clarify how much of the proportion going to the EU is to the Irish Republic and how much is to the rest of the EU?

David Brown: About 15% of it goes to the Irish Republic, and somewhere in the region of 8% or 9%—I could stand to be corrected on that figure—goes to the EU. I would say that two-thirds to three-quarters goes to the ROI and beyond. You have probably heard our milk sector talked about many times. One-third of our milk from Northern Ireland is processed in the Republic of Ireland and then proceeds to be exported from the businesses that buy it in Northern Ireland, which are southern Irish businesses. It depends on the sector and the commodity, but the percentage varies across different commodities.

This is reflected a little in what Mark said about the potential for 10% meaning that everything is in the red lane. In Northern Ireland, we will continue to produce to EU standards. We have a very similar situation with what we produce, because fundamentally if a part of an animal or a product is going into the EU marketplace, by default we will have to produce 100% of that. Agriculture and farmers accepted that under the protocol. We raised concerns about proposals for a dual regulatory regime, but under the Windsor Framework that remains as it was.

The issues for agriculture have been pretty specific to things coming from GB into Northern Ireland. As I said at the outset, some of those things have been resolved, but quite a few are still there for discussion. As Stuart said, we are hopeful that the new mood of co-operation will lead to

a better place if, at a basic level, those of us who are at the sharp point of those issues have a way of feeding that information in.

Back in December, when I found myself in front of the EU negotiating team on veterinary medicines, seed potatoes and various things, we saw them recognise when we were able to bring that detail direct to them that this is a real issue. It is about being able to protect that GB to Northern Ireland trade, because we have not changed. Two years passing has not meant that our supply chains have suddenly changed to bringing it from other parts. Most of our trade is and has been, and I suspect will be, with GB.

Q28 Baroness O'Loan: Listening to the evidence you have given us thus far, which is very important, I am very aware that, seven weeks on, you still do not even know who you want to be talking to or what structures will enable you to have these discussions. That is a matter of considerable concern when we are talking about instability for the economy.

My role is to ask you about your assessment of the Windsor Framework's provisions, specifically in relation to customs procedures and the movement of goods between Great Britain and Northern Ireland. I know a number of you have talked about the arrangements for green and red lanes based on the enhanced trusted trader scheme and the system of commercial data sharing, but I would be interested in any other observations you have about those provisions and your assessment of the Windsor Framework's provisions in relation to the handling of tariff rate quotas.

Stuart Anderson: Conceptually, the notion of creating red lanes and green lanes is right. However, the challenge is that it becomes binary. A lot of our members at the moment have benefited from apportionment, where they are able to carry loads of "at risk" goods and "not at risk" goods. The question is how they will proceed with that and the commercial impact that might have.

Again, I note the conversation that has already been had on the operational detail that is needed. That high level of facilitation for the consumer at the front end is important. We live in communities, and we see the impact and the risk to Northern Ireland consumers with the dependence on the GB market. That is why we identified it as a priority issue to be addressed, with two-thirds of goods moving between GB and Northern Ireland being consumer-facing.

To the point that Mark is making, he is right in the sense that green lane facilitation is focused on the consumer. There are further exemptions in respect of commercial processing at a lower threshold, so that has moved from 500,000 up to 2 million. I am not sure of the actual real-world impact of that yet. It is one to keep an eye on, but there is that exception to the consumer.

On tariff rate quotas, it was good to see the movement on steel. We should be cognisant of the fact that it is only in relation to two categories of steel—categories 7 and 17 for UK-origin steel. There are therefore

questions remaining in respect of other commodities on the agri-supply side in particular. There is a commitment from both the EU and the UK to progress that, and we would urge them to do that as soon as possible, because the data on all those areas has been made available and we want to see movement on that fairly quickly.

Baroness O'Loan: Thank you. Perhaps I could move to David next on the agri-food side.

David Brown: Part of the difficulty here is that we have been operating for the past two years in quite a number of grace periods in various aspects. Those grace periods have meant that the reality of the difficulties has not been realised, or at least not fully. I used the example earlier of veterinary medicines and so forth. Those grace periods have allowed agriculture in some respects to continue almost without the extreme difficulties, even though there are specific items—plant protection products, for example, are one.

When it comes to tariff rate quotas, agriculture and construction use steel and to see that being looked at was welcome, but I have heard concerns raised about tariff rate quotas when it comes to grain coming in, for example. I cannot honestly give you the full detail of these. I have heard concerns raised about tariff rate quotas for New Zealand lamb. A lot of these things are concerns, but at this stage I do not think the implications are fully understood.

In respect of tariff rate quotas, we had a meeting just yesterday with Maroš Šefčovič, and it was raised with him that we needed to have conversations about these quotas not restricting Northern Ireland, and indeed the whole of the UK, in its production capacity.

Mark Tait: As Stuart said, the notion of a red and a green lane is very binary. Let me be blunt. As far as haulage is concerned, there is no green lane whatever between Great Britain and Northern Ireland. The only green lane I see is between the EU and Northern Ireland via the Republic. The green lane, as I alluded to earlier, will be a highly regulated express retail lane, because it will be for the retail sector only. We just do not know yet—we do not have that operational information—but it looks as though we will all be locked into the red lane and all the processes that follow from it.

To allude to the question earlier about the impact of that on small businesses, for a small business of three or four people like mine to have to deal with full EU customs declarations on every item of freight moving in the red lane process will be highly difficult and highly costly, and in many cases could end in the business saying, "Can we actually do this work?" It could ultimately come to, "Can we actually survive?"

The Chair: David Brown, did you get a satisfactory answer from Maroš Šefčovič?

David Brown: He was welcoming of our comments. Certainly his officials were taking notes, and I would sincerely hope that his desire is that we can have access so that we can bring those matters to him. He is well aware of the examples that I gave this committee, because the letters about seed potatoes, and previous to that about veterinary medicines, will have ended up on his desk.

When I went out on those two occasions to Brussels to sit in front of an EU negotiating team, the bit that concerned me was who else was there making the case and bringing evidence of the difficulties that these things were going to cause. I mentioned the potential for sub-groups to feed into the UK-EU committee. Certainly, as businesses, and certainly in agri-food, we need that ability to bring these things to their attention long before they become a political difficulty.

The Chair: Thank you. That is very helpful.

Q29 **Lord Hannan of Kingsclere:** Thank you for joining us, gentlemen. That was very informative. I wonder if I could ask very specifically about agri-foods for retail. This has been much trumpeted in the deal. We are supposedly going from 100% to 5% visual checks. How will that work on the ground? Are we finally going to get to the position where sausages will be able to move from Gwynedd to County Down? Or, as Boris Johnson put it, will bangers be able to go from Bangor to Bangor without checks, or will it be one of those situations that Mark was talking about where, in practice, things get red-laned? It is up to you if you would like to come in. You do not all have to comment. Mark, maybe you would like to come in on that.

Mark Tait: Again, I am not an agri-food expert; I deal in commercial goods, but the processes are exactly the same. If you read the Windsor Framework, what is really behind it is that it appears that the work is done before you even move the goods, so that when they get here there are basically no checks. Ironically, the checks are all bureaucratic. The checks will be done digitally and prior to movement. All the information, whether that be commodity codes, customs declarations, CHEDs or all your SPS information, will be checked digitally and online before the goods technically move.

From an agri-food point of view, I am led to believe that they may have some information as to what the declaration will look like. From a commercial point of view, we simply do not have that information yet, but, again, the processes will be very similar. The Prime Minister said that he would remove the customs border, but from our haulage point of view the customs border is still there, and the processes will go on in the background whether there are physical checks or not at our ports. We do not know yet what that will look like, again because we just do not have that information.

Lord Hannan of Kingsclere: Thank you. David.

David Brown: I am not at the retail end of agri-food, but I listen to others who are, particularly the large retailers who have had, you might say, complete grace periods for quite some time, and concerns that they have expressed about potential changes in labelling and so forth. The difficulty—this sounds a bit like a broken record—is that they are seven weeks in and have no detail about what is being expected of them. They have been told that there is a target date of October. Potentially, almost a third of that time period has passed.

The concern is that we have had a grace period for retailers that has allowed them to continue to trade—the small businesses have not had that grace period—but, fundamentally, does the Windsor Framework, and the implementation of some of the things that previously were not implemented, now mean that it is about to get more complex? As I understand it, they do not have the detail they need to make those decisions going forward.

Lord Hannan of Kingsclere: Thank you. Stuart.

Stuart Anderson: I have been asking similar questions of retailers, large and small, who, as you would appreciate, are best placed to say. At the front end—we will start with the positives—they welcome the fact that there is not full implementation of what was the existing protocol, because in their view, and they were always clear on this, it would not have been workable and ultimately would have had an impact on the Northern Ireland consumer, who is least well placed to manage that.

Once you get into what is known as the green lane—the operational detail to follow—there is a reduction in the burden itself. Crucially, GB suppliers can now be a part of that scheme by agreement. Previously they could not; you had to have a Northern Ireland establishment. There is also positivity in respect of some of the things that can now move by agreement—the likes of sausages, chilled meat, plants. They were not there previously, which caused friction between the EU and the UK through the unilateral arrangement.

As has already been indicated, the challenges lie where you are an independent retailer and you might be relying on the existing provision of apportionment whereby you move goods that are at risk and not at risk. What is the commercial implication there? The big one—we all need to ensure that we have the appropriate levels of consultation with the existing structures—is the challenge of regulatory divergence. That is still there. Although we have seen some movement on UK food safety laws, that is the immediate and pressing concern that comes to the fore.

There needs to be detail about timing and labelling. Certainly one of the larger supermarkets I have spoken to has said, “We’re up for doing whatever is needed, whatever is required, but we need to know and understand and have a clear timetable”. If there is an issue with that timetable, everyone needs to be honest and up front about when that timetable will slip—if it is going to slip—if we are to have the ultimate goal of having a system that works in a process that works.

The final point is about acknowledging that Northern Ireland is an SME-led economy. Even in the retail space, we have an awful lot of independent retailers. Communications need to be in plain English so that we have real clarity: this is green lane, this is not green lane. You cannot move red and green together. These are the types of things that we need to ensure move beyond the stage they are at, which is legalese.

Lord Hannan of Kingsclere: Good luck with dealing with any Government, but it is an aspiration that I am sure every member of the committee would share. Thank you very much.

Q30 Baroness Ritchie of Downpatrick: This question is specifically for David because it deals with veterinary medicines, an issue you have already addressed. We are aware that there is still an extension of the grace period, which was not covered in the Windsor Framework, but it is an issue that requires a resolution. Obviously it is different from human pharma or human medicines, because, after all, humans do eat meat that has been subject to veterinary medicines, so we have to take that into consideration.

In the context of the framework, how would you assess the current situation with veterinary medicines? In the view of the UFU, what steps should be taken to agree a long-term solution before the expiry of the grace period at the end of 2025? Do you think it should involve negotiations between the UK and the EU and direct engagement with the agri-food industry—the farmers' unions and in the farming industry—and the processors involved in the meat, dairy, sheep, lamb and pork sectors?

David Brown: Thank you for the question. The first thing I wish to point out is that around 50% of the veterinary medicines used in Northern Ireland are used in agriculture. The other 50% are used in domestic animals. Therefore, your cat, your dog and all the rest of it were at risk of not having the medicines they might need for pain relief or whatever. That was where we came from, and we were approaching another cliff edge. We had a grace period in 2021 that extended into 2022, and on 31 December it looked like we were going to fall off this cliff edge.

The important aspect for me was being able to present to those EU officials a list of the products that were going to disappear. That included quite a number of vaccines. Some of those, like Leptospirosis and salmonella vaccines, are ultimately linked to human health. Therefore, it was important from that perspective that we emphasise that this is of huge significance and a huge problem for the Northern Ireland industry and Northern Ireland animal lovers.

With plant protection products, part of the difficulty we have is that the Northern Ireland market in many instances is too small, depending on the product, to justify the authorisations. The Veterinary Medicines Directorate, like the Chemicals Regulation Division, was involved in authorisations of medicines coming from GB to Northern Ireland. In those discussions, we made the argument right back in 2021 that veterinary

medicines—you referenced human health—would be treated in the same manner.

Until probably the latter part of last year, there was an expectation in the EU that traditional trade routes would adjust and that we would get various products from other jurisdictions—namely, the Republic of Ireland—but two years on it is fairly evident that trade does not simply reorientate to ROI or EU. Obviously the EU wished to protect its internal market, and there was a fear that GB might lower its standards. In Northern Ireland, we were still in the EU regulatory zone, so we could not do that if we were bringing in products from GB. GB has not lowered its standards, nor indeed is it likely to if it wishes to continue to trade with Europe itself. The Prime Minister and the UK Government stated that a solution to veterinary medicines must guarantee that the existing and long-established trade flows from GB to Northern Ireland, on which so many of us depend, would continue.

I have to confess that I did not expect a three-year extension. I wish it had been included in the Windsor Framework. It was not. When asked about this when the Prime Minister was in Northern Ireland almost seven weeks ago, he said, “Look, we’ve been given time”, but time does not mean that you leave it until the latter end of the third year. Our emphasis would be that there needs to be a sincere engagement to ensure we that do not run up against cliff edges in three years’ time.

Baroness Ritchie of Downpatrick: Supplementary to that, have there been any efforts at supplementary engagement since the Windsor Framework on veterinary medicines and a permanent solution?

David Brown: There has been engagement. I have not sat in on those meetings, but some of our Ulster Farmers’ Union staff have done so where the Veterinary Medicines Directorate has been involved. I have not seen a light at the end of the tunnel on the direction of travel, but equally it is fair to say that there has been some level of engagement. It is also fair to say that the Chief Veterinary Officer, or deputy chief vets and so forth, and those who would be in discussions with their EU counterparts will know that there were staging posts to be reached at various stages. I have to confess that I am not entirely sure when the first of those staging posts is about to be passed, but there is engagement.

We probably did most of the feeding in at the end of last year out of a sense of concern that this was not being taken seriously enough at all levels. If we cannot get those authorisations, we get to a point where the realisation is that whatever discussion takes place with the EU—the Prime Minister was of a view that we have time to sort this—the mood has changed on seeking technical solutions and so forth. We hope that it actually happens as is written on the tin.

Mark Tait: On what was previously said about supply chains, even from a non-veterinary or a non-SPS area the EU’s assumption was that supply chains would diverge, but let us be honest: from 40 years of EU membership, if the ROI supply chain or other EU supply chains had been

better we would have been using them years ago. As David says, this is why we still use the GB supply chain, whether it be for veterinary medicines, human medicine, or even retail product. David's point was well made. We rely on our GB supply chain, no matter what it is for.

- Q31 **Lord Dodds of Duncairn:** David, on the veterinary medicines issue, as you said, this has been raised and flagged up for a considerable period, along with many other issues arising out of the protocol. Why do you think this issue was parked for further discussion when other issues were addressed to a greater or lesser extent? Was it just too difficult? What is the particular reason, with veterinary medicines, for no change in the current position, just a continuation of the grace period?

David Brown: I cannot truthfully say that I know exactly what the thinking was behind that. This point was put to the Prime Minister when he was at the Coca-Cola factory in Lisburn announcing the Windsor Framework. The response was, "We have time to work on that". If you have a lot of difficult things to do, one of which can be put off for a short time, I suspect that has been the logic behind not addressing it.

It is fair to say that the Ulster Farmers' Union has argued for an SPS, which is a sanitary and phytosanitary agreement, between the EU and the UK and has had this position right the way through, and that may well have influenced that decision. That would resolve an awful lot of issues for the agri-food sector. Maybe the EU thinks that this has the potential to come in the future, but I have seen no indication that it got any depth of discussion as part of the Windsor Framework.

- Q32 **Lord Thomas of Gresford:** The movement of plants from Great Britain and Northern Ireland is said to have a simplified certification process, similarly for seed potatoes. There is also a movement for agricultural machinery simply to be certified as for UK only if it is to be used in Northern Ireland. On the parcels issue, individuals can send parcels without any customs documents, although businesses will still have to have some form of simplified arrangements. To what extent have these particular points answered problems that arose under the protocol? I will ask David first, because some of that is agricultural.

David Brown: I will leave the parcels question to Stuart, but as I alluded to at the start, there has been movement on plants. I will address the machinery point first. To a certain extent, there appears to be a resolution to what was particularly onerous on the removal of all soil, dust and so forth. I would have said at a certain level under the previous arrangements that this was impractical, but in some senses in machinery there appears to be a significant move forward.

As I highlighted earlier, on the subject of plants and trees, we and horticulturalists have certainly been making the case for particular varieties of plant to get the green light or go-ahead to come to Northern Ireland. Those have not been able to come for the last two years and the process for evaluation has been particularly onerous. That is part of the difficulty: that evaluating the risk has taken years. We have been working

with Defra to compile dossiers on around 11 species—I am not an expert on all the Latin names—but in those species there is a plethora of different varieties. I reflect on the fact that in two years none has yet been approved, although five were referenced in the Windsor Framework and will now be fast tracked; the UK and EU will expedite them and get them across. They include beech, oak and apple trees, but, as some of our horticultural folks started to point out to us, the birch, the hazel, the hawthorn and the cherry are still prohibited. We are still working through a process.

We need a mechanism so that we can move much more quickly with these approvals. Northern Ireland, and indeed the whole of Ireland, has had a serious problem with ash dieback. That disease did not originate in Scotland, England or Wales, yet many of the plants, which are climatically better suited to being brought from Great Britain to Northern Ireland, are still restricted and prohibited. A mechanism is needed to fast-track many more than the 11 talked about and the five that have been indicated as being approved by the end of the year in the Windsor Framework and which we await. Apart from those high-level statements, I have seen no indication of the detail of how that will all happen.

Lord Thomas of Gresford: Have you had any sight of a simpler mechanism and been consulted about it at all?

David Brown: No, I have not had sight of it or been consulted about it. I probably need to go back and check whether anybody has been talking to our staff who look after all things to do with plants and the arable and horticulture sectors. To the best of my knowledge, 1,500 or 1,700 veterinary products were not going to come, and there were similar difficulties with plant protection products; although they are approved in the south, they cannot be used because they are not approved by the Chemicals Regulation Division in the UK.

I think it is fair to say that, in many of these things, Northern Ireland has found itself in a bit of a no man's land, betwixt and between. I honestly have no detail as to how quickly there might be an opportunity to move forward on a whole variety of plants that pose no risk whatever to Northern Ireland. Those that they have indicated—you mentioned seed potatoes—or any of the plants coming in are for planting in Northern Ireland soil, which seems to be the main criteria.

Lord Thomas of Gresford: Do you feel that your union, your members and your officers have something to contribute to constructing a mechanism that would simplify the whole procedure?

David Brown: Certainly, as I described earlier, this pertains to the past two years. When we moved into January 2021, we did not fully appreciate the issues that we are now aware of. There were one or two, like the movement of sheep and livestock, that we were conscious were going to be difficult. We had hoped that, in a few months, resolutions to that might be found. Rather, what happened was that, more and more, members and businesses that needed particular things suddenly

discovered that they could not get them. I had the perfect example in my own home in March 2021 when my wife told me that she could not get the bulbs that she normally plants in springtime. Unfortunately, I had to explain to her that she would not be able to get them, because she bought them online from Great Britain.

Lord Thomas of Gresford: Stuart, can you cover the parcels issue?

Stuart Anderson: Yes, no problem. David said that he is not an expert on plants, but I certainly have nothing more to add to that subject. In relation to parcels, the feedback I have had from members is that, again, the starting point here is agreement, particularly between some of the larger operators. They are pleased to see that there is an agreement, because until the announcement of the Windsor Framework that was not the case and it was prohibiting investment in systems and processes.

As to the actual content of the agreement itself, there are two areas of note: consumer to consumer, where we are pleased to see the removal of customs processes; and business to consumer, where we have an 18-month window to see this work through. I think the operators are getting concerned about timelines. When the existing protocol was announced, guidance on parcels was published on 31 December, which led to the discontinuation of products moving between Great Britain and Northern Ireland. That was largely down to British operators deciding, as a matter of prudence and good compliance, not to serve the Northern Ireland market until they were clear what was happening. That should be a warning for all of us: that in this process we need to ensure that the systems and processes are in place within the right timeframe. Certainly, that is the message I am getting from those who are operating in that sphere. In terms of the business, the consumer process itself will, I think, operate in the same way as the red lane and the green lane, which we mentioned in our comments about how that will operate and who will benefit from that.

There is a lot to be worked through. It is good that there is a deal. It applies to every issue here: when you are talking about plants, customs, VAT, meaningful stakeholder engagement from the very beginning is critical to finding solutions that actually work.

Lord Thomas of Gresford: I may have been caught up in the maelstrom. I sent a book to Ireland that seemed to go all around Ireland before it came back to Wales and it never reached its target.

Mark Tait: I am not an expert in plants. Like David said, however, I have ordered plants online early in the spring, but you still cannot get them. It looks like it will have to be through garden centres only.

On the parcels front, as Stuart said it looks like consumer to consumer and business to consumer seems to be resolved from our point of view. The issue is business to business and what commodity information will be required and what amount of complexity that brings. From a business point of view, we are not a fast parcel operator, but we work with

parcels. So, again, we have asked whether our business can then operate as an FPO under that FPO model. We bring in parcels for consumers—business to consumer—but because we are not a fast parcel operator we do not know whether we can operate under that model. We have asked questions of HMRC and other government agencies which we still do not have answers for. Again, we are moving down the line here, as you say, from the announcement of the Windsor Framework. We need answers to a lot of the questions that are being asked, and the sooner we get them, the better.

Q33 Lord Empey: Good afternoon, gentlemen. Thank you for your evidence this afternoon. I want to ask you a question about divergence, which has been mentioned before. What are the implications and significance of the Windsor Framework for regulatory divergence between east-west and north-south? What is your assessment of the mechanisms to manage divergence, including the new special goods body and the Office for the Internal Market?

Stuart Anderson: You will be aware that regulatory divergence is probably the number one issue that comes up regardless of industry and sector, certainly from a Northern Ireland chamber point of view. For the last three years, regulatory divergence has been the issue that needs to be worked through for movements between Great Britain and Northern Ireland in order for any solution to be durable.

On the question of what the special goods body is offering, this body is to be made up of officials, and we need to understand where, how often and in what format stakeholders will be engaging with it. It acknowledges that divergence is an issue that is to be addressed through it. Again, I would like to see further detail on that special goods body and how it will actually operate in practice.

I think it is paragraph 52 of the framework that refers to the role of the OIM, which, again, is a crucial role in monitoring regulatory divergence east-west. We need to see what this will look like in practice. There is a right of Northern Ireland Executive departments to ask the OIM to investigate any issue of regulatory divergence, to which the UK Government need to respond. The question is: what obligation or duty is on the UK Government to do that? They have an overriding commitment here, at least in the spirit and intent of the framework, to minimise that.

There is a question as to what that will look like in practice. There is also a question about the island of Ireland, and it is important to highlight one thing that the Windsor Framework does not do in that respect. Our dairy industry is integrated on the island of Ireland and is often used as a case in point—an integrated industry that operates on an all-island basis. Those that operate in that sector are very clear that there is a problem in Northern Ireland, for mixed tourism products, not having access to EU trade deals. That continues to be the case, so that is a problem in the north-south piece that remains unresolved.

Mark Tait: Regulatory divergence does not really affect haulage as such. We move the product, so it does not matter in a sense, although it does matter what standard is set out. As has been alluded to before, if the UK wants to trade with the EU, in most cases it will have to comply with many EU standards anyway. From a haulage point of view, there is massive regulatory divergence that means that certain supplies do not come from the Great Britain supply market. Obviously that will affect the amount of business that we do between Great Britain and Northern Ireland and, ultimately, the other way around. It is a difficult one to comment on from a haulage point of view, as we do not make the product; we move it.

David Brown: Ultimately, divergence in the agri-food sector is a reality and a huge threat to our ability to trade. As standards change in one region or another, Northern Ireland probably finds itself in a different place, in a bit of a no man's land. In some respects, if something is banned or no longer allowed in the EU, we cannot use it. Equally, we turn to whatever product it may well be using, and in some instances, as we have discovered over the last two years, that is not authorised for use in Great Britain. Therefore, we find ourselves in a very difficult place.

A perfect example of this was the organic egg issue at the start of this year. Northern Ireland produces 15% of the organic eggs for the whole of the UK, and they go, in the main, to the GB marketplace. We faced a cliff edge whereby, post the start of the war in Ukraine, the EU had reduced the level of organic feed by a few percentage points. In other words, it was saying that 95% must be organic but realised that, because of supply difficulties, that was about to change. The date was 24 February, and we were being told right up to the edge that, "You will no longer be able to supply Great Britain from Northern Ireland".

At the end of day, Great Britain wanted the eggs, and our producers were going to be left in a very difficult place. At the eleventh hour, they had a stay of execution. Again, it is one of those grace period experiences where it is delayed for 12 months while they have another look at it. Ultimately, those who are outside the EU but in a trading relationship, like Northern Ireland, will be in a constant state of negotiation and, as things change, will need to find solutions to that difficulty or that problem. What seems to be different with the Windsor Framework, and we hope it is a reality, is that there is more of a can-do attitude from both sides—from a new Prime Minister and UK Government who are working more closely with the EU to find solutions.

At the end of the day, we in the agri-food sector tend to find that when those difficulties arise they are not necessarily predicted or expected, and we need a means of resolving them quickly. Our call from the outset of Brexit has been for an SPS agreement between the UK and the EU, which would remove a lot of the barriers that we are talking about.

Q34 **Lord Dodds of Duncairn:** To the extent that you wish to deal with this individually, and can, what is your assessment of the proposals in the framework on VAT and excise, particularly the new UK-EU enhanced co-

operation mechanism? There is also the issue of state aid, which remains under the Windsor Framework, albeit under new guidance, when the original position of the UK Government was that it should be removed completely from protocol arrangements.

David Brown: I will sidestep the EU VAT rules and hope that Stuart is fit to answer that one, but I will certainly address state aid. State aid rules will affect Northern Ireland farms and businesses. Even as it currently stands, obviously having Brexit-ed, each of the devolved regions has new agricultural policies, and within that only 17% could be moved to support measures that were related to reducing emissions. That was because in Northern Ireland we could not be in a different place than EU countries with regard to the percentage of monies that were moved.

Ultimately, should a problem or difficulty arise in the Republic of Ireland, or nearest neighbours, we need a level playing field with them because they too supply the GB marketplace. If they find themselves in a position where there is a catastrophe or some difficulty, state aid rules allow the EU to support them. If we effectively turn to the UK with a begging bowl and say, "Our nearest neighbours have this. We've faced the same difficulty in Northern Ireland", I would not necessarily be filled with confidence that that would achieve the same result.

To take another example from only a few years back, we had very serious flooding in a particular region in Northern Ireland. The support from our own Government and Stormont was generous in that instance, but it would be restricted under the EU maximums. We have concerns about state aid and the rules, because we cannot predict when and where state aid support would come. Fundamentally, the distinction between what might be applied in the Republic of Ireland and to us in Northern Ireland would be a challenge.

Mark Tait: I am afraid that is not an area that I have much expertise of. I know that VAT was a big issue for second-hand vehicles, which thankfully has been resolved; double VAT-ing is obviously not pleasant on anybody. I concur with what David said. Certainly we need a level playing field where state aid is concerned, no matter what industry you are working in. Obviously, both Northern Ireland and the Republic are supplying the British market as much as they are supplying every other market. Going forward, as we see at the minute, the different rates and the corporation tax will have a big effect. I certainly agree that we need a level playing field across the board to maximise our ability to trade.

Stuart Anderson: On VAT on immovable property, I was talking to one of our members on Friday, and the difficulty was that there was some confusion over when it actually took effect. Was it the date of the joint declaration? The EU Q&A suggested that it was, when in fact it takes effect from 1 May as a result of the statutory instrument. We have subsequently clarified that, but that would be my only comment on the substance. The body that has been established and stakeholder engagement, as I mentioned, is just the specialised committee in another form. It probably merits a further conversation with VAT experts from

Northern Ireland, and I am happy to provide a number of names to the committee, if that is helpful.

On the state aid provisions, Article 10, as it stands in the protocol, remains, and there is now some clarity about the approach. There is certainly an intention that reach back to Great Britain will be minimised. On the practical consequences, you might start to see greater scrutiny in Northern Ireland-only measures. As an example, we have quite ambitious net zero targets out to 2030, and then potentially the subsidy scheme coming forward for renewable energy. That might be a case in point that merits further scrutiny.

The Chair: I have one final question for you which picks up on something that has come up a certain amount in the conversation this afternoon. Do you think that your voices are being heard? I am grateful that you have expressed your concerns very well and clearly to us. Are you able to express them in such a way that they are properly heard in Brussels and in Westminster? Do you feel that you are being listened to?

David Brown: The Northern Ireland business group, which Stuart chairs, has definitely opened doors for access to EU negotiators, specifically on veterinary medicines. We were getting really frustrated that what was being said to us was basically, "This will happen and there's nothing much you can do about it". With Defra, ultimately people change and move on, so at times we find that we are repeating the same issue to a different audience, but equally we have had access to them.

One thing that I would highlight, which is more for our Northern Ireland colleagues, is that the Northern Ireland agriculture department in the past would have had a number of staff out in Brussels. There is currently one lady. I have no doubt that she is doing her best, but despite the fact that we, as the UK, have left the EU, the rules and regulations coming from Brussels will still pertain to Northern Ireland. I confess that at least some farmers probably thought they were going to get away from those.

I go out to Brussels about once a quarter and will talk to anybody who will listen and take those opportunities. A parliamentary officer sets up meetings and normally gives me a very busy time for those two or three days each quarter. At the end of the day, I am an office bearer as president of the farmers union, and I am time-bound by the length of time that I will be in this role. Ultimately, we need people out there from Northern Ireland representing us.

Mark Tait: From a haulage point of view, obviously we are an industry involved in the movement of goods. We have been the industry at the coal face of the Northern Ireland protocol for the past two years. In many respects, some of the difficulties that we pointed out that we were going to face have proved to be correct. Numerous industries have thankfully been able to operate under grace periods that have allowed them to keep moving goods and allowed us to keep moving the goods for them. I am not too sure that we have always been listened to. Obviously, a lot of the things that we have asked for in relation to the red lane/green lane

scenarios may look good in the publications that have been produced, but until we get more detail we are not sure whether those asks have been answered. Until we get those answers, I will reserve judgment on whether I have been listened to or not.

Stuart Anderson: The forward look is a question that we are wrestling with. David makes a good point about representation both in London and Brussels and the NI-specific voice for business. We are small, and there are a limited number of skilled people in the relevant areas that impact on us under the protocol and the Windsor Framework, particularly in the regulatory sphere, which we have to put some thought into.

Have we been listened to? I would point you all to a paper that David's organisation and others were involved in pulling together back in June 2020, which clearly set out the areas where we needed derogations and mitigations covering medicines, retail, and a number of other issues that as yet had not been addressed. The disappointment is that it took three years to see any substantive movement. That caused issues for a number of our larger firms. Our exports to the EU, the Republic of Ireland or sales to Great Britain are all up. In the context of all the uncertainty, a lot of our businesses are doing well. A lot of our firms are contacting me and saying, "Can you give me language to reassure supply chains in both Britain and the Republic of Ireland that there is stability and certainty?"

I am disappointed that it took as long as it did to get to the stage it did. Some of the questions have been answered and there is a significant movement in some areas. Some questions remain open and some areas will remain quite difficult, but if the relationship between the EU and the UK really has improved, it is really important that we are all really honest at this point about where the opportunities and the challenges lie. If Northern Ireland is put at the centre of that, we all can and should be committed to making the trading arrangements for Northern Ireland work.

The Chair: Thank you very much for that, and thank you very much to all of you for the evidence you have given this afternoon. It has been really interesting and useful and will be very helpful to us. We are extremely grateful to you.