



HOUSE OF LORDS

European Affairs Committee

Uncorrected oral evidence: UK-EU relations

Thursday 24 June 2021

10 am

Watch the meeting

Members present: Lord Kinnoull (The Chair); Baroness Coultie; Lord Faulkner of Worcester; Lord Foulkes of Cumnock; Lord Hannay of Chiswick; Lord Jay of Ewelme; Baroness Jolly; Lord Lamont of Lerwick; Lord Liddle; Lord Purvis of Tweed; Viscount Trenchard; Lord Tugendhat; Lord Wood of Anfield.

Evidence Session No. 1

Heard in Public

Questions 1 - 15

Witness

I: Ambassador João Vale de Almeida, Ambassador of the European Union to the United Kingdom.

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Examination of witness

Ambassador João Vale de Almeida.

Q1 **The Chair:** Welcome, everyone, and welcome in particular to João Vale de Almeida, the EU Ambassador to the United Kingdom, to this virtual House of Lords and to the European Affairs Committee. This is a public evidence session, so a transcript will be taken. Ambassador, we will send you the transcript to check, and if there are any things that need to be corrected, let us know and we will do that.

To explain very briefly the format of how we will run today, as we only have an hour I shall call members of the committee in turn. Each member will have four minutes to ask questions of you and then we will move to another member. There may also be an ability to have some supplemental questions, and I shall call the members to ask those as well. At the end, I hope we will have a little bit of time left over for further supplemental questions. I appeal to everyone who will be questioning and answering to keep their questions and answers crisp and short, as we have so little time.

That said, I will start. Ambassador, can you give us your current assessment of the UK-EU relationship?

Ambassador João Vale de Almeida: First, thank you for the invitation. Good morning to you all. Thank you, Chair, for inviting me this morning. I wish to salute also Lord Jay, chair of the sub-committee and a good friend.

I see so many good friends but also, and more importantly, I see knowledge, wisdom and expertise in this committee, so it is a real pleasure and honour to be with you today. I have had regular contact with the Chair and the chair of the sub-committee throughout my 16 months in this job. In spite of Covid, we were able to establish an excellent relationship. I have also been impressed by the quality of your reports and the accuracy of your analysis of anything dealing with Europe and with the process that we are having, so it is a particular privilege today to be able to address the entire committee and to give evidence to your inquiries.

Let me say in a short, maybe even telegraphic, way, the way I see things today. The first point is that we need to realise that we are going through a very important, if not fundamental, change in the relationship between the EU and the UK, for obvious reasons. We were together in the European Union for 47 years. That is a long relationship. Through a democratic decision that we fully respect, the United Kingdom decided to withdraw from the Union but to also withdraw from the single market and from the customs union, which is not without consequences.

So, we are starting a new cycle of our relationship. I approach it in a very confident and positive way. I believe that there is a lot of good that we can do for our citizens and for our businesses for the sake of the values that we support in this new cycle, but we have to realise that it will be

different from the past. We have to realise that decisions have consequences.

One of the issues that we have to deal with these days is adaptation and adjustment to a new reality. It is never easy. It is never easy to divorce and it is certainly not easy to find the right equilibrium or new balance after a divorce. We have to realise that some of the problems we are having today are associated with the transition phase, with the fact that we are only a few months after a fundamental change in our relationship, but we also have to realise that some of the problems and difficulties we are having are of a structural nature, because they have to do with the change in the framework of this relationship.

The good thing is that we know what we have as the framework for this relationship. We have agreed two fundamental instruments through international treaties, the withdrawal agreement and the trade and co-operation agreement. This is the basis for our relationship and we should never forget that. We should aim at having it as the background against which we have to find solutions for problems that may arise.

I look forward to our discussion as much as I look forward to this new cycle of our relationship. I think it is good for the EU and good for the UK, and I would dare to say good for the world that we find this new balance and that we can contribute to addressing the issues that are of major concern to our citizens, both on the bilateral level but also as global actors acting together, as I saw very recently in the G7 meeting in Cornwall, which I had the pleasure of attending. I saw a convergence of views and purposes among a number of member countries, including the European Union and the United Kingdom. I saw a new dynamism in this group of major economies and major democracies and, if I look at the global challenges today as much as the bilateral relationship, I think there is life and hope beyond Brexit regarding our relationship. My motivation here is to work very closely with you, and I hope this co-operation will continue into the future. I think we can all contribute to the quality of this relationship under a new framework and new basis that is equally important and relevant. Thank you very much.

Q2 **The Chair:** Thank you for that upbeat assessment all round. I have a couple of very short supplementals.

First, there have been a number of ongoing problems with the Ireland/Northern Ireland protocol. This is not a question about the protocol but I wondered if you felt there had been any leakage from that into the rest of the UK-EU post-Brexit relationship and, if so, to what extent there had been leakage.

Ambassador João Vale de Almeida: It is clear in your report and all your analysis that I have come across that Northern Ireland was from the very start identified as maybe the most intricate issue we would have to deal with. It was clear in the negotiations. We spent most of our time in those negotiations on the withdrawal agreement on Northern Ireland, for a very simple reason. It was about squaring a circle, and on one side

protecting the Good Friday agreement, peace and prosperity in the island of Ireland and in Northern Ireland. It was about protecting the constitutional order of the United Kingdom, which no one wants to question, but it was also about preserving the integrity of our single market, which is the jewel in our crown, to which many of you contributed personally and to which the United Kingdom made extremely relevant contributions.

For our British colleagues and friends, it is very clear to understand that we should not take any risk in challenging the integrity of the single market, so this was the circle that we needed to square. We spent years on that and we agreed on this protocol. The question now is how we implement it. Maybe we can discuss that more thoroughly—but to your question about whether it has an impact on the overall relationship, I would say yes, by definition, for the reasons I have just explained. That is why we are so focused ourselves and why I believe colleagues on the British side, and the British authorities, should try to address the problems that are on the table right now regarding this protocol. If we have good solutions and are able to raise the levels of trust and co-operation and the quality of our co-operation around the Northern Ireland protocol, I believe this will have a positive impact in the overall levels of trust in our relationship, the overall quality of our relationship.

Q3 The Chair: Thank you very much indeed. I am bad at chairing—we have run on—but these are very important areas. My final, supplemental is about disputes that arise. We saw one arise over the Jersey fishing rights relatively recently. I wondered what your view was about how disputes like that should be resolved. What is the methodology, going forward from here?

Ambassador João Vale de Almeida: In the methodology overall, it is for us to use the instruments we created, the bodies we set up within the withdrawal agreement, the joint committees, the specialised committees, within the trade and co-operation agreement, a number of committees and working groups; it is quite a complex governance structure, we realise, but it is the one that would allow us to address the issues in a consensual and co-operative way. We want to avoid unilateral measures and, as you know, we have some differences of view with the British Government on that.

If I go back to the fishing rights, I think it is a good example of where we did not start well and that we should aim to go back to the normal procedures, but I am encouraged by what I have seen in recent weeks, because the EU and the UK found agreement on a total allowable catch for 2021 a couple of weeks ago. This is a good inspiration, a good basis for future years in terms of the fishing rights. We all know that this is always a controversial issue. We have some tensions around Jersey, about fishing licences, but I hope that the atmosphere we created by this agreement on the total catch for 2021 will have put us on the right trajectory in terms of finding, within our agreements and procedures, in a consensual and joint way, solutions for these problems.

The Chair: Thank you very much. We move to Viscount Trenchard.

Q4 **Viscount Trenchard:** Thank you, Lord Chair and good morning, ambassador. It is a great honour for us that you kindly agreed to come and answer our questions this morning, so thank you very much.

You have talked about our divorce and you talked about it also on your BBC interview, I think, yesterday. Would you not agree that many divorced couples get along much better with each other after divorce than while they were married? Could you also please say something about your priorities during your term as ambassador to the United Kingdom?

Ambassador João Vale de Almeida: Well, my wife can confirm that we have no experience of divorce yet, so I cannot base my comments on my own experience. Unfortunately, I hear from many friends who have experienced divorce, and I have seen different cases. But if I come back to our divorce, we are here to be realistic. We cannot rewrite history. Brexit is done. You know we regret it but you also know that we absolutely respect the choice of the British people, so for us, and for me, this is the past. I want to focus on the future and the future for me is how this divorced couple finds the best way to move forward. How do we take care of the children? The children are our citizens and our businesses. What is the best way for the two of us, the EU and the UK, to focus on the interests of citizens and businesses? This is the kind of mindset that I would like to see.

Regarding my priorities, as the first EU ambassador to the United Kingdom—and it is a great honour and privilege for me to be in this position—I want to put this new cycle of this relationship on the right track. I want to contribute modestly with people like all of you, to put this relationship on the right track and to start in a constructive way. I want as much as possible to contribute to the foundations of a dynamic, constructive and certainly more competitive relationship in the future, because I think we owe it to our citizens and businesses, both on the bilateral level, where there is a lot to do, and on the global level. I want to stress that point, again with my recent experience of the G7 and my experience at the UN previously, about how much the world counts on the role that global actors like us play. People around the world count on the European Union and the United Kingdom to do the right things, from human rights to democracy and respect for the rule of law. I feel that responsibility myself as a diplomat, but I feel that our couple can do a lot to contribute and make good in the world, and that is also what drives me.

In a more prosaic way, as I was saying in replying to the Chair, we want the machinery to work. We want these committees, bodies, partnerships, councils and beyond to do their jobs, which is to anticipate problems, address problems and find solutions to problems, so that we avoid the relationship derailing, prevent the relationship from being permanently in dispute, and prevent bickering between us. I want us to focus on the big

picture. I want us to deliver to citizens and businesses, and we know that there is a lot we can do.

That is my state of mind. I cannot do it alone. I work together with the 27 ambassadors of the member states and their teams, but I want to work with you as well.

The Chair: Thank you very much indeed. We move to Lord Hannay.

Q5 **Lord Hannay of Chiswick:** Good morning, ambassador, and very much welcome to this new version of this committee.

I have two questions. This first leads on from your previous answer in a way. What do you see as opportunities to build on the foundations? You can only speak in a personal capacity because it is a matter, of course, for the 27 to decide, and indeed for the British Government to decide, what areas there might be for increased co-operation, but it would be good to hear about where you think there are opportunities.

Secondly, can you say whether you and the Commission are a bit concerned by the tone and content of the British media's reporting on both the relationship between the UK and the EU, and the developments in the EU itself? This is, of course, not a new problem. We have all struggled with it over many years, but it does seem to be getting worse, if anything. I wonder whether the Commission has any thought about how to address that and whether there is any way it could help to improve that atmosphere.

Ambassador João Vale de Almeida: Thank you very much, Lord Hannay. I hope to continue to benefit from your deep knowledge of European affairs, as from all the other members of this committee.

On what we can do to build on the agreements that we have, my concept is that personal relationships are living animals, in a way—the relationships between persons and countries as well. We have seen in our professional experience that things between countries change depending on public opinion, on leaders and on the economic or strategic context. I think that we should approach any relationship like this one in an open way, in the sense that it will necessarily evolve. We do not know today in which direction it will evolve, but I think we have to admit the principle that this is not something frozen in time.

On a personal basis, as Lord Hannay asked me—and I take that freedom now—I think that I would like to see, and hope to see, more in terms of our capacity to work together on foreign policy and security. I think that there is scope for more than what we have in the agreements today. You know that the British Government did not want to engage in thorough work on that, but we hope that we can build on what we said in our political declaration, where there was a clear intention to work on that. This is one area where I think that we can make progress.

Let me be personal about one point. I was very sad and regret that the UK decided to withdraw from the Erasmus programme. Maybe there is a chance for this to revert and we can come back to that, but this is a

personal remark. Why do I say this? Because the Erasmus programme is one of the greatest successes of the European Union, but most importantly because it is about young people. It is about creating links, addressing misperceptions and increasing the knowledge of the other side, of other countries and other cultures. It has been in the European Union a fundamental instrument to create a sense of belonging to Europe but also a sense of respect for diversity.

Those are two areas that I would identify maybe where we can, within the basis of what we have, do more, but I am very open—and I think we should be very open to any opportunity or possibility of deepening further our relationship. It has to be a consensual démarche, of course, but I am hopeful that with time we will find other ways to deepen our relationship.

Regarding the tone and content of media coverage, a very long time ago, at the beginning of my professional life, I was a journalist. I was a spokesman for many years, dealing with British journalists in Brussels at a given time, so I do not want to comment on that. Let me make a more general point about the atmosphere and the climate and the tonality of the debate. I think that our relationship would benefit from a certain degree of dedramatisation of the political discourse. I think that I said this last night as well; we should move on and there are two ways of moving on. One is to continue to score points on disputes of the past and the other one is to look forward and try to build this relationship on a solid basis, looking for solutions and for joint approaches to problems that we all have. Again, and as I said earlier, maybe a new mindset is needed here. We will try to do our best. I will try to do my best. Sometimes it is difficult because the media is very much tempted by controversy, by disputes and by differences of opinion. We need a permanent effort to lower the temperature, dedramatise, and focus on solutions.

The Chair: Thank you very much. I very much regret that the constraints of the ambassador's diary mean that we must move on from that very interesting area to questions from Lord Lamont.

Q6 **Lord Lamont of Lerwick:** Hello, ambassador. I very much enjoyed your interview on television last night. I am tempted to disagree with Lord Hannay about the media. I think that you have demonstrated how to deal with them and not all of us see the media as a great problem.

I have one brief question. On the issue of co-ordination, to what extent did the EU and the UK co-ordinate their response to the downing of the Ryanair aircraft by the Belarus authorities? To what extent was there co-operation there?

Ambassador João Vale de Almeida: We were in contact, we exchanged information, and I think that the result is a positive one. We addressed a very clear message to President Lukashenko about the determination of our countries, and I was glad to see a convergence of positions between us, Canada, the United States, and the United Kingdom—in different ways of course, but a convergence. I think that it is a very important example of where co-operation and at least sharing of

information in real time among us can produce the right effect in the global scene. Again, the G7 proved that. We agreed entirely with the agenda that the Prime Minister put forward for the G7 summit, on all areas, and we had good co-operation in preparation. The Sherpas did a good job and the leaders were absolutely convergent on that. These are good examples of how much we can do together.

As I said earlier, I think that we could do even better if we had a more solid framework for this co-operation, particularly when, as when you are addressing sanctions, there is a solid legal basis for that. As you know, there are no German or French sanctions when you come to economic sanctions; there are EU sanctions. The Belarus case is interesting and reveals the potential for this co-operation. I would like to see that potential enhanced even further if we have a more solid framework on foreign policy and security.

Lord Lamont of Lerwick: Thank you very much.

Q7 **Baroness Jolly:** Good morning, ambassador.

The partnership council met for the first time on 9 June. How would you characterise the meeting and why did the two sides decide to issue separate statements? Do you anticipate that this will continue to be the practice?

Ambassador João Vale de Almeida: I attended the partnership council, which was the first one, and it was sort of the kick-off moment of the new governance of the deal. In the meantime, we agreed the calendar for the work of all the different sub-committees and specialised committees. It is very important that we have these spaces. It may sound bureaucratic but it is not. Bureaucracy is most of the time a way to avoid problems and avoid disputes at the political level, and to clear the ground of issues that may appear at the political level, so it is important that we had this first meeting.

The atmosphere was constructive between Lord Frost and Vice President Šefčovič and we addressed a number of issues. Each side put on the table issues that they considered important to deal with. We decided not to have a joint statement because we did not think it was relevant to spend too much time, and invest too much, in drafting. We thought it more important to have this meeting, to have a good discussion. However, as happened with the withdrawal agreement, I am sure we will often have joint statements and we look forward to translating our agreements into public messages as well, but this was the first meeting and its main purpose was to launch the process and identify a few issues that we are discussing and addressing in the meantime.

Baroness Jolly: Thank you very much. Yes, you will need to feel your way.

The Chair: Thank you very much indeed. We move to Lord Purvis.

Q8 **Lord Purvis of Tweed:** Thank you, Chair, and good morning, ambassador. Can I move on to the settlement scheme for EU citizens? As

you know, we have been taking evidence for UK citizens within the European Union and vice versa. Is the UK, in your opinion, honouring the withdrawal agreement commitments for EU citizens through the settlement scheme?

Ambassador João Vale de Almeida: I acknowledge very constructive co-operation with the British Government on this issue, particularly with the Home Office. I just had a meeting yesterday with the Minister in charge, Kevin Foster, and we took stock of what we have done so far. I think, looking at the latest figures for the settled status scheme, 5.27 million statuses have been granted, which is quite impressive. One of the problems we have, as you know very well, is that we do not know how many we are in the UK. We do not know exactly how many EU citizens were living and working in the UK by 31 December last year, so it is kind of a moving target. There was a campaign, the 3million campaign; it has been almost doubled by these current figures, and we understand that there are quite a number of other EU citizens who have not yet applied. The Minister was telling me that the average these days is around 10,000 to 12,000 applications per day and there has been a surge in the last few weeks. If you assess the quality of the work done by the numbers, I think that it is very good, even excellent, and went beyond our expectations. I also want to praise what the Government have done in funding citizens' support organisations, together with us, and the promotion information campaign, which picked up in the last few months.

We have a few concerns that I expressed to the Minister and that we are working on together to try to address. Maybe the most important one is the late applicants, and I would like to leave this with you. There will be people who, for different reasons, will not be able to apply within the deadline. I have asked the Minister—and I got good feedback, which I am sure will materialise—that the Government will look attentively at the reasons why people could not apply in time and that these citizens will be treated in a fair way.

There are a number of other linked issues; for instance, the backlog that already exists in the system and the extent to which these people will be affected by the delay in the granting of the status. We are concerned about elderly people, who for the moment, if my figures are correct, represent only about 2% of the numbers I referred to. We are concerned about children. Children also need to apply, their parents need to make sure that they register, and maybe there is still a deficit there.

Overall, I think that we have done a good job together. My teams have been meeting weekly with the Home Office to address these issues. Our embassies are mobilised. I thank you for your committee's and the previous committee's reports and your attention on this. Not everything is perfect, but I think that overall we are doing together a good job in making sure that EU citizens, who have made a great contribution to this country, and continue to do so, will be able to continue to contribute to the prosperity of the United Kingdom. I am very proud of my EU citizens' community in this country, and I look forward to addressing the issues that we will have. After 1 July, we need to see about the situation of

those who for some reason could not apply, but that is another discussion that we are starting with the Home Office, which I am sure you will follow.

Q9 **Lord Liddle:** Welcome, João. I have very many fond memories of the times I spent working with you and for you in the European Commission, much happier times. My question is about the role of the Commission in relation to British citizens living on the continent. One of my fears is that if member states do not implement properly their obligations—it would be very wrong in itself—it could become a terribly difficult issue in the bilateral relationship. I wonder if you think that the Commission is doing enough to make sure that member states are living up to their treaty obligations.

Ambassador João Vale de Almeida: Thank you very much, Lord Liddle. I also have fond memories of Brussels. I left Brussels 11 years ago but I still have a home there and part of my family is there, of course. I have great memories of our work together.

We are following this issue very attentively. For myself and my team, addressing it is not our direct responsibility, but I am in touch with my fellow ambassadors to progress this issue. There are two different groups of countries. Thirteen of our 27 member states have what they call constitutive systems, with around 300,000 UK nationals, which is a system similar to the one you have here in the UK. Progress is good, as I am told. More than 73% of UK nationals living in these 13 countries have applied and more than 50% already hold a new residence document. The Commission has been addressing some issues raised by the UK Government directly with the member states concerned. I have been talking to the ambassadors. They tell me that things are progressing well, but maybe you are also in direct contact with them and you know that.

Fourteen other member states have declaratory systems, with 760,000 UK nationals, and progress is going well. There are less time constraints in this particular case. In four member states with constitutive systems, the period ends on 30 June, exactly like in the UK, so the focus, our attention, is on those member states. They have stepped up their communication efforts.

In any case, I can guarantee you that we are very attentive to the situation. We have discussed this in the specialised committee for the withdrawal agreement dealing with citizens' rights. Member states participate in those meetings, and we will do the utmost to address these problems and make sure that the maximum number of UK citizens will be able to enrol and apply. Of course, even beyond the deadline, we will address the particular situation. I thank you for being attentive to these issues and encourage you, of course, to discuss them also with my fellow ambassadors bilaterally. We will continue to follow this very closely.

Q10 **Baroness Couttie:** Thank you, Chair, and good morning, ambassador. We took some extremely interesting evidence from some bodies that represent UK nationals within Europe. One of the points that they raised

was a concern about the historic, perhaps slightly hostile, relationship between the UK and Europe based on the Brexit negotiations and some of the issues that have come to the fore. Indeed, from some of your answers today, it is quite clear that the relationship between the EU and the UK has not been without some friction, which obviously we hope will mature into a more stable and constructive relationship. How concerned are you that the difficulties that the wider EU-UK relationship is having, and the low levels of trust that we are seeing, will negatively affect the ability of the two parties to resolve any disagreements about citizens' rights?

Ambassador João Vale de Almeida: I really hope not.

Baroness Couttie: So do I.

Ambassador João Vale de Almeida: As I said earlier, I look forward to a lowering of temperature in the public discourse about this relationship. I am not thinking of anyone in particular. I think that it is a collective responsibility to further dedramatise this relationship and look at concrete answers to concrete problems, within the terms of the agreements we made. I think it is a collective effort and I know that you contribute to that by being serene and wise in your reports, and very much objective, analytical and constructive. I think that this should inspire all of us actors at different levels in this relationship to focus on the big picture, focus on our citizens, focus on our businesses, and within this new cycle of this relationship find the right way forward.

My direct reply to you is that I hope, as I said before, that the relatively low levels of trust these days will improve and that they will not affect our capacity to find solutions. In any case, that is our determination, that is the determination of my leaders, that is what we told the Prime Minister in Cornwall in our bilateral, and I hope that we can move forward in that direction.

Let me say, Baroness, but also Chair, that I am encouraged by very recent developments in the context of the Northern Ireland protocol. It is a central piece in our current discussions. The fact that the UK Government decided not to opt for unilateral measures regarding some aspects of trade is encouraging our willingness to address some difficult issues, as we mentioned before, and allow me to feel encouraged by possibly a new, more constructive climate in our relations.

Baroness Couttie: Thank you very much indeed.

Ambassador João Vale de Almeida: Thank you, Baroness.

The Chair: Thank you very much. I very much share that. We come now to Lord Tugendhat.

Q11 **Lord Tugendhat:** Good morning, Ambassador. It is a pleasure to meet you. I was in Brussels so long ago that I am not even sure that you had arrived there at that time.

My question deals with an area in which things seem to be going quite

well, judging by the press release after the Prime Minister's meeting with the Spanish Prime Minister in the margins of the NATO summit. I refer, of course, to Gibraltar. I wonder if you could be kind enough to provide us with an update on how the negotiations on an agreement between the UK and EU on Gibraltar are going. In particular, when do you anticipate that the Commission will submit a negotiating mandate to the member states for their approval?

Ambassador João Vale de Almeida: Thank you, Lord Tugendhat. I can tell you that I joined the Commission some time ago, but I have a clear memory of your mandate as commissioner. You are well remembered in Brussels corridors and in the Berlaymont, but of course you would not remember me, as I was maybe too young an official to come up to your floors. I do have great memories of your work and thank you for your contribution to the European Union. You are a good example, as are others in the room as well, of how much Britain has contributed to what the European Union is today, and we do not forget that. We are proud of that, and I think this should be one foundation, one brick in the wall that we have to build on now as part of this new cycle of our relationship.

Regarding Gibraltar, as you know our trade and co-operation agreement excludes Gibraltar from its scope so the TCA does not apply. We received in late December last year a note on the proposed framework for a UK-EU legal instrument setting out Gibraltar's future relationship with the European Union. The relevant services of the Commission are currently examining the request in view of very soon proposing the next steps for this relationship. Once this mandate is proposed by the Commission, it will follow the normal procedure as foreseen in the treaty. The council will authorise us to negotiate and give the Commission a mandate to negotiate with the United Kingdom. So in replying directly to your question, I would say very soon.

Lord Tugendhat: Thank you. I do not think there is any need for me to go any further. Thank you for your kind comments.

Ambassador João Vale de Almeida: Thank you very much, Lord Tugendhat.

Q12 **Lord Jay of Ewelme:** Thank you very much, Chair. It is good to see you, ambassador, as always.

You talked earlier about life beyond Brexit, which sometimes seems a rather elusive concept in Northern Ireland, but there has, of course, been some progress recently, as you referred to yourself just now, over chilled meat. I wonder whether you see trust, to which you have also referred this morning, returning as regards Northern Ireland and, on a more specific question, whether you could say something about the main problems that you still see between the EU and Britain over Northern Ireland. Can you see any solution to the rather vexed question of veterinary matters and any midway between the EU's wish for dynamic alignment and the UK's proposal for equivalence?

Ambassador João Vale de Almeida: Thank you, Lord Jay. As I said earlier, there is no point in ignoring it—this is a central issue in our relationship right now. We need to address it in a decisive way, and that is what we are trying to do.

The first condition for success in this issue is that we start from where we come from, from the protocol. The protocol is the only solution we have for the problems created by Brexit in Northern Ireland. At least that is what we agreed, and I have to attend to the facts. This was long-negotiated, was signed, agreed and ratified, and is now international law—British law, EU law—and that should be the starting point.

Secondly, we have for many months now, and particularly last December, agreed on a number of pragmatic steps, commonly agreed between Vice-President Šefčovič and Michael Gove. Again, this is something that we should implement before we move to any other considerations. So we are looking at all this as the basis for our common work.

On top of this we need to be very much aware of the sensitivities in Northern Ireland. I am very unhappy when I see comments saying the European Union ignores Northern Ireland, does not care about Northern Ireland, or is not aware of the volatility and the sensitivities there. I need to reject that kind of accusation, because we were focused on Northern Ireland even before the Good Friday agreement, were so around the Good Friday agreement, and also beyond the Good Friday agreement. We have an economic, diplomatic and even an emotional and financial commitment to Northern Ireland, which is without any doubt. We are very much aware of the situation. That is why we have shown, and Vice-President Šefčovič in particular and all of us have shown, a great deal of understanding and flexibility. We are turning our regulations upside down to try to find solutions to this problem. What we did not like to see was unilateral action by the Government in breach of what we had agreed. I hope that is behind us now—although the legal procedures must continue—and that we can find a new way of working on these issues.

The focus now is on sanitary and phytosanitary controls, SPS as we say in our jargon. It is about medicines and a number of other issues. Our focus at least is on not creating more problems than Brexit already creates in Northern Ireland. Let us try to find within the protocol the solutions for these problems in a constructive and pragmatic way.

Focusing on SPS, we made a proposal to the United Kingdom, as you know, to have an encompassing SPS veterinary agreement that in our calculation will remove 80% of the controls. We even said that, in an exceptional way, we are ready to consider this agreement as being a temporary one because we understand that on the British side, the intention of negotiating and eventually agreeing free trade areas with other countries may imply some change in your own sanitary standards. So we could do this temporarily. The advantage of this type of agreement is that it will not only remove the checks at the border but also allow time for the infrastructure that is needed in Northern Ireland to be built. As you know, Lord Jay, there is a certain delay in the implementing of the

infrastructure needed to make the controls. A temporary agreement would also allow these infrastructures, from buildings to staff to IT, to be concluded, so that when the agreement is no longer in place the checks will be much faster, the procedures will be smoother, and the impacts will be much less negative on citizens and businesses.

There is beauty in this proposal. I understand your point, which is about more of the principled nature about how to interpret this, but I think it is worth looking at this proposal, working on it and trying to find a way through with some creativity, and we are trying to show that. I said earlier that I am encouraged by recent days. Our teams are working as we speak on all that.

Q13 Lord Jay of Ewelme: Thank you very much for that. Can I ask, Chair, one further question? There is a very wide range of views on the sub-committee on the Northern Ireland protocol and I wondered whether you saw scope for flexibility in the way in which the protocol is interpreted and implemented.

Ambassador João Vale de Almeida: Short answer: yes. Long answer: we need to see exactly what flexibility means. But, Lord Jay, let us begin by implementing what we agreed in December. I am not talking even about the protocol as such. I am talking about the flexibilities that we agreed that have not yet been fully implemented. If they had been fully implemented, some of the problems we have today would no longer exist. There is merit in looking at our backlog in terms of things that we need to do, but otherwise, there is good will—and our good will will even be encouraged and enhanced if the overall atmosphere is more constructive. It is a very good point that the UK has decided not to act unilaterally; it is a sign that we understood as a constructive sign. I think that it contributes to a better atmosphere. We need to build on that and try to find within the bodies and procedures that we set up a consensual and jointly agreed solution.

Maybe I am naive, but I remain confident that we can find solutions for these problems because—and allow me to make this point again—when I visited Northern Ireland I came with this very clear sense that there are huge opportunities there. If you imagine, this is a territory that has access to the biggest internal market in the world for goods, our own internal market, and to the British, the GB market, if you want, or the UK market as such. No one else has this access for industry, farmers and retailers—but I also think of foreign investors. There is a case to be made about the attractiveness of Northern Ireland. What we would like to see, and what I would like to see personally, is to move the focus of our discussion from a very negative and depressing approach to the problems in Northern Ireland to a much more constructive, forward-looking and positive attitude towards the potential of Northern Ireland. I am sure we will try on our side to contribute to that.

The Chair: Thank you very much indeed. Before we come to Lord Wood's final question, I want to ask Lord Lamont to come in here with a supplemental.

Q14 **Lord Lamont of Lerwick:** I want to follow up on what Lord Jay said. You said, ambassador, at the beginning, that nobody wanted to challenge the constitutional arrangements of the UK. President Macron did make some very strange remarks about Northern Ireland and its relationship to the rest of our country. I am sure—I know from your interview—that you are extremely sensitive to the situation in Northern Ireland, but if Northern Ireland’s status is understood in the EU, why do they not see a border in the Irish Sea as a threat to the stability of Northern Ireland in the same way that they see a border on the island of Ireland as a threat to the Good Friday agreement? Again, if a border on the island of Ireland threatens the single market of the EU, why does a border in the Irish Sea not threaten the single market of the UK? I know you can say, “The protocol is what it is, you signed this” but there is room for flexibility; there are areas that offset what has been agreed, references to unfettered access. To some of us it does seem that the EU is being too legalistic in its interpretation and is not taking account of both sides in Northern Ireland.

Ambassador João Vale de Almeida: Thank you, Lord Lamont. I fully respect your point of view. I cannot comment on statements made by the President of France, although the indications I have are that he was misquoted in his remarks, but it is not for me to comment on that.

My first point is to say that the protocol is very clear. The withdrawal agreement is very clear that it fully respects the territorial integrity of the United Kingdom. This is written in stone and, as I said in the beginning, this was one part of the squaring of the circle that we had to address. Nobody ever put in question, or will ever put in question, the territorial integrity of the United Kingdom, and that is a very clear position. That being said, as part of the squaring of the circle, we needed to find a way to establish border mechanisms for our own internal market. Allow me to say that this is the first time in history that the European Union has outsourced to a third country, although a very friendly country, the control of the external border of its single market, and this is a major sign of confidence and trust in our relationship. I think sometimes people overlook that.

Now we also recognise, and understand very well, the specific nature of these border arrangements and the protocol is all about that. The protocol is all about finding the right way to implement legal principles in full acknowledgment—*[Inaudible.]*

The Chair: That is very frustrating. Meanwhile, I suggest that we gently keep quiet. We are still being broadcast. Lord Wood, we will come to you for your final question, do not worry.

Welcome back, Ambassador. I am sorry for the technical problems but we are still here. I think you were most of the way through your answer to Lord Lamont’s very interesting question. Would you like to finish that off and then we will move to Lord Wood?

Ambassador João Vale de Almeida: Yes. Sorry for that. I must have stepped out of my speaking point in a way that someone thought not appropriate.

Jokes aside, Lord Lamont, I was basically saying that we have looked, of course, at all the different aspects when we discussed and negotiated long about this protocol, but our approach to the specific situation in Northern Ireland has led us to a flexibility that, as I said, we have shown nowhere else, and never before, in addressing the situation. We are applying specific, innovative and creative procedures and concepts to a very particular situation like the one in Northern Ireland, so I think that you can count on us to exercise the maximum pragmatism, but we have the legal and economic constraints that are linked to the protection of the single market.

Let me maybe end with a more positive tone. I think that there are solutions for these problems, provided that there is good will and that both sides approach this in a constructive way. I remain confident that we can find those solutions and that we can liberate the potential for Northern Ireland to benefit from the new situation post Brexit.

Q15 **Lord Wood of Anfield:** Very briefly, could you give us a sense of what activities the EU, and you in particular, are pursuing with regard to contacting and discussing these issues with communities in Northern Ireland, unionists and republicans? As a quick follow-up on this, what would you say to those parts of the unionist community in Northern Ireland who in their bones believe that the Brexit deal, the protocol in particular, is undermining their identity as members of the UK? What would the EU's message to those groups be?

Ambassador João Vale de Almeida: Thank you very much for your question. We have been relaying to and in permanent contact with all communities and political parties, civil society and business people. My very first visit out of London was to Northern Ireland. I went to Belfast and to Derry/Londonderry. I met all the political forces and the Executive, of course, as well as the business community and young people. I met activists who are involved in projects bringing together the two communities, some of them financed by the European Union.

At a higher level, Vice-President Šefčovič has maintained a regular dialogue with political leaders. He has just concluded a round of all the political leaders and will see those who are in the meantime being replaced, and he maintains this focus in the political dialogue. He has also been meeting civil society and business representatives. We intend to continue this way. I hope to go back to Northern Ireland soon. Vice-President Šefčovič will have meetings with the Stormont Assembly as well, and we will eventually visit Northern Ireland. So we have an absolute determination to keep a line of communication open with Northern Ireland.

Regarding the unionist community, we have had, and I have had, close contacts with unionist leaders and so has Vice-President Šefčovič, and we

will continue to do so. We do not make a distinction among communities. We want to talk to everybody and want everybody to understand how we can best approach these situations.

The message to the unionist community is basically to say that we are very much aware of the sensitivities they have regarding this protocol. We want to discuss with them how we can address the problems created by Brexit and by the withdrawal from the internal market and the customs union—I think they understand that that is the origin of these problems—and try to find the best solutions. But the underlying message is very clear. We respect the territorial integrity of the United Kingdom, we respect the respective identities of different communities, no question about that, and we want, sincerely, to find the best solutions for the problems created by Brexit in Northern Ireland and promote a vision of a positive and forward-looking future for Northern Ireland in these circumstances.

The Chair: Thank you very much indeed. It has been an extremely interesting session and I am very grateful that you stretched your diary, because I know that someone else is already here for you. It has been very thought provoking, and I am sure we are all extremely grateful to you for the frankness of your answers. We look forward very much in the future to continuing this productive conversation. With that, I declare this evidence session formally over.

Ambassador João Vale de Almeida: Thank you very much. It was a real pleasure.