Northern Ireland Affairs Committee

Oral evidence: Unfettered Access: Northern Ireland and customs arrangements after Brexit, HC 161.

Thursday 18 June 2020

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Watch the meeting

Members present: Simon Hoare (Chair); Mr Gregory Campbell; Stephen Farry; Mary Kelly Foy; Claire Hanna; Bob Stewart.

Future Relationship with the European Union Committee Member present: Hilary Benn, Chair.

Questions 45 - 154

Witnesses

I: Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster; Rt Hon Brandon Lewis MP, Secretary of State for Northern Ireland; Colin Perry, Director, Northern Ireland Office; Brendan Threlfall, Director, Withdrawal Agreement, and Northern Ireland Team, Transition Task Force, Cabinet Office.

Examination of witnesses

Witnesses: Rt Hon Michael Gove MP, Rt Hon Brandon Lewis MP, Colin Perry and Brendan Threlfall.

Q45 **Chair:** Good afternoon, everybody, and welcome to our session with regard to unfettered access: customs arrangements after Brexit. The Committee is delighted to welcome the Chancellor of the Duchy of Lancaster, Michael Gove, and the Secretary of State for Northern Ireland, Brandon Lewis. We have been in a fraternal Select Committee mindset these last few months, so it is my pleasure to welcome Hilary Benn, the Chair of the Future Relationship with the EU Committee. Welcome, Hilary. It is very nice that you could join us.

Let me start with the first question. Chancellor, I suppose this is to you really. What do the Government mean by "unfettered access"?

Michael Gove: It means, as I hope we were able to lay out in some detail in our Command Paper and the associated statement to the House of Commons, that goods from Northern Ireland businesses should be able to circulate freely in the rest of the United Kingdom internal market without let or hindrance.

Q46 **Chair:** Thank you, but in terms of accessing—actually getting into—that market, what regime are you envisaging?

Michael Gove: The broad outline in the Command Paper that we put forward made clear that, as the protocol itself makes clear, unfettered access would mean there would be no discrimination exercised towards Northern Ireland businesses or citizens. They are fully citizens of the United Kingdom. Northern Ireland is in the UK customs territory and, indeed, should we conclude free trade agreements with other nations, Northern Ireland's businesses and citizens should benefit from those as well.

For example, when it comes to any good that is produced or manufactured in Belfast or Ballymena, when it enters the United Kingdom, whether that is from Larne through to Cairnryan or Belfast to Liverpool, there should be no requirement for any type of check or any interruption in the free flow of that good into the UK.

Q47 **Chair:** So there is no paperwork to be completed in order to cross the sea.

Michael Gove: There are no import declarations, no entry summary declarations, no tariffs, no customs checks, no regulatory checks, no additional approvals and no requirement to submit any declarations. For any individual business in Northern Ireland, there will be unimpeded, unfettered access for those goods to the rest of the UK.

Q48 **Chair:** Why are we hearing from earlier witnesses to this inquiry of concerns over additional costs, some saying £50 and some saying £100, to move their goods from Belfast to Liverpool, for example?

Michael Gove: I cannot see how that would arise.

Brandon Lewis: One of the benefits of an opportunity for these kinds of sessions is to flesh that out and give those businesses confidence. As the Chancellor has just outlined, those businesses should not see any change. They should be able to continue trading from Northern Ireland into the rest of the UK in the same way they do now.

Q49 **Chair:** If that is the case, how is the integrity of the UK's single market and the integrity of the EU's single market maintained?

Michael Gove: First, there is no danger to the EU single market. Any good that enters Northern Ireland, or is manufactured in Northern Ireland and traded or sent to another part of the United Kingdom, does not affect the integrity of the EU single market, almost by definition. It is not as though something is being placed on the market in any other part of the European Union that would cause any trader or citizen in the European Union to feel that the single market, its rights, obligations and protections, had been in any way impinged.

Of course, there is a theoretical chance that someone might try to use Northern Ireland as a back door into the UK single market. It is the case that market surveillance and intelligence would mean that, if we did see someone who was attempting any sort of jiggery-pokery, it would rapidly become apparent. If it were the case that a low loader with BMWs was making its way from the Republic of Ireland into Northern Ireland and then into the UK, we would notice, as is the case with anyone who seeks to subvert the law. We have both the surveillance and the enforcement authorities necessary to deal with any abuse of that kind.

Q50 **Chair:** Can we clarify this, because you have defined unfettered in a way that most ordinary folk would understand unfettered to be? You want to sell something and move something from Northern Ireland to the mainland. You would be able to do so on 2 January next year in exactly the same way as you do today.

Michael Gove: Yes, absolutely.

Q51 **Chair:** There would be no paperwork for anybody to either send back to the Prime Minister or put in the wastepaper basket.

Michael Gove: I could not put it better myself.

Q52 **Chair:** That is helpful. The Government have today announced this new idea of shock and awe, encouraging people to take action to prepare for all eventualities. What is your advice to the business community of Northern Ireland in response to shock and awe?

Michael Gove: I myself had not come across the phrase "shock and awe" in this context.

Q53 **Chair:** It is in the document that Government sent to their agencies, to devise a shock and awe section of the campaign.

Michael Gove: Yes, so I understand. I had not seen that phrase before, until it was reported on a particular website. I would take a step back from whatever phraseology may have been used by whoever was drawing up that document or whatever they may have intended by it. The key thing is that businesses, not just in Northern Ireland but across the United Kingdom, have to prepare for our exit from the single market and the customs union overall. It is the case that there are specific challenges and opportunities for businesses in Northern Ireland as we operationalise the protocol. That is why there has been such intensive business engagement, led by the Secretary of State and the Northern Ireland Office.

I would draw a distinction between the phrase that, as I say, you rightly mention was used in drawing up a tender document for those agencies that might help the Government in their communications campaign. That is intended to help businesses across the United Kingdom prepare for 31 December. There are specific issues, which of course the Committee is well acquainted with, that relate to Northern Ireland businesses. There should not be anything shocking or awesome about that work.

Q54 **Chair:** Was your office, Chancellor, involved with the production of that briefing document or pitch document?

Michael Gove: I have not seen that document. I have only had reports of it. I have no reason to disbelieve those reports. I was acquainted with them this morning and have subsequently asked if I can have a look. I make no criticism of anyone. It is often the case, when Government are contracting with outside agencies on communications campaigns, that they will use language that communications specialists and advertising agencies themselves will use.

Q55 **Chair:** That is a given. I do not mean this in a pejorative sense, but you are the spider in the middle of the Brexit preparation web, heading up the Cabinet Office. Are you telling us you have not had sight of this document?

Michael Gove: I have not had sight of that document.

Q56 **Chair:** Do you find that strange?

Michael Gove: No.

Q57 **Chair:** We will agree to differ on that one. You talked about the engagement of the Northern Ireland Office with businesses. We have been hearing evidence during the course of this inquiry from business representatives of all sizes. We all know that it is much easier to engage with the large employer organisations than the micro and the small, which is very much the lifeblood of the Northern Irish economy.

We have heard criticism that the engagement has been pretty good from the Northern Ireland Office, but virtually non-existent from the Cabinet Office, and it has all been a little airy-fairy. The message we have been having is that businesses want to prepare, but they do not know what they are preparing for or whether they have a sustainable business model when you overlay Brexit, leaving with a deal or leaving without, and the impact of Covid.

What approach do you have between your office and the Secretary of State's for meaningful, evolutionary, collaborative engagement with the business community, of all sizes and types?

Michael Gove: It is the Northern Ireland Office that leads on engagement with civil society and business in Northern Ireland, so I will ask Brandon to say something about that. It probably would not surprise the Committee to know that the Secretary of State and I talk almost daily, not just with respect to the implementation of the protocol but with respect to other economic and constitutional issues as well.

Brandon Lewis: Absolutely, as CDL has just outlined, the Cabinet Office and Northern Ireland Office are liaising at all times. It is not just with the Cabinet office; it is with BEIS, Treasury and, for example at the engagement meetings I held last week, with a range of businesses. Chair, you are absolutely right. Right across the UK, small and family businesses are the absolute heartbeat of the economy, particularly so in Northern Ireland. I feel that very strongly, not least because I come from a background of small and family businesses myself.

At the last engagement meeting, we had not just the big businesses themselves. We do liaise and engage with them, but at the roundtable I had last week we had the Federation of Small Businesses, the chambers of commerce, the IoD, which represents larger businesses, as well as some sector organisations across both agri-food and non-agri. We had HMRC join us to talk to businesses and engage them around some of the work it is doing.

We are co-ordinating, across Government Departments, on different issues week to week. I have held several meetings since the launch of the command paper, including in the 24 hours directly after we launched the paper, right the way through last week. Even since last week's meeting, our officials and Government officials have been liaising with businesses regularly. We will continue to do that in an intensive way.

It is not just us. We have also engaged, as we said we would, with the Northern Ireland Executive. At the meetings that I chaired and Robin Walker chaired last week, we were joined by Ministers from the Northern Ireland Executive and their officials. It is a genuinely joined-up approach.

Q58 **Chair:** Does it surprise and/or alarm either of you that, according to Government data, 61% of UK business has taken no action to prepare for Brexit?

Michael Gove: It does not surprise me. It does concern me. One of the reasons why we believe that it is necessary to have an information campaign, as you mentioned earlier, is to make sure that people are

ready for both the challenges and the opportunities that exist as we prepare for life outside the customs union and the single market.

There are a number of actions that businesses have been encouraged to take. Some of those actions, for example acquiring the wherewithal to export to European countries once we are outside the customs union and the single market, will also enable companies to take advantage of free trade agreements and export opportunities elsewhere. There is time to prepare, but it is also important that we communicate clearly to people what we need to do.

With respect to the situation in Northern Ireland, as well as the Northern Ireland Office officials, in almost every engagement meeting we have had there have been representatives from Cabinet Office, often from the border and protocol delivery group, a dedicated unit within Cabinet Office that is helping both business in Northern Ireland and businesses across the UK to prepare. It is also the case that HMRC has a vital role to play.

Q59 **Chair:** On the question of HMRC, CDL, I think you confirmed this on the Floor of the House. Forgive me; it was either an urgent question or a statement. There is identified compatibility between the EU VAT IT regime and HMRC's. Is that correct?

Michael Gove: We are working to make sure we have the appropriate machinery in place so that our obligations on VAT can be effectively discharged, yes. It is HMRC that leads on that work.

Q60 **Chair:** Thank you. Finally from me, everybody agrees that business needs to prepare. Everybody has to realise that businesses are also focusing on survival in the corona environment. When do they give up preparing for leaving with a deal and begin preparing for leaving without a deal? Is it at the 12th chime of 31 December going into 1 January, or do we say five weeks before that, "Discussions have stopped. There is not going to be the traditional EU firework party at the 59th minute of the 11th hour. You have four weeks to prepare"? When will people know which it is going to be?

Michael Gove: The Prime Minister made clear when he took the high-level meeting earlier this week with the Presidents of the European Commission, the European Council and the European Parliament that he wanted to see progress. He did not want to see this progress drag on into the autumn and the winter. Everyone knows, and the point has been made by Michel Barnier and others, that whatever agreement is reached, and we hope we will secure agreement on a comprehensive free trade agreement, it will take a bit of time to ratify on both sides of the channel.

I should stress that one of the reasons for our communications campaign is to emphasise that, whether or not we secure a comprehensive free trade agreement with the EU, we will in any case be outside the customs union and outside the single market, come what may. In many respects for businesses, the difference between what has been termed a Canada-

style deal and what many have called an Australia-style approach in terms of preparation is not that great.

Q61 **Chair:** We all know that Government's definitions of autumn, winter, spring and summer are often as wide as the Met Office's. We all heard the Prime Minister say he does not want this to rattle on into the winter time. What is the cut-off date that you have pencilled into your diary where we face into this: "The leaving bit is given, but we are leaving without a deal"?

Michael Gove: I know exactly what you mean about the permeability of seasons. As a Scot, we only have two seasons, June and winter. More broadly, we do not have a date per se pencilled in, but it is the case that, if we have not secured significant progress by October, it will be difficult. Then again, you know it when you see it.

Q62 **Chair:** By mid-October, business will know whether it is one thing or the other.

Michael Gove: I hope that we would have clarity beforehand, but it becomes increasingly difficult, if we are not on a trajectory towards an agreement, to ensure that a free trade agreement could be concluded if we have not secured agreement, as I say, by October.

Brandon Lewis: It is worth reinforcing the point CDL made earlier. Even within all of that, whatever dates people have in their minds, the reality is that businesses need to prepare. They need to prepare now, as was said. With the difference between Canada and Australia, there are still things people are going to have to do. It is also important to remember that, for a large number of businesses, a large percentage of what they are doing is trading with the rest of the UK. Northern Ireland businesses trading with the rest of the UK will not need to make changes, because their trade with the rest of the UK will continue as it does today.

Chair: I do not want to labour the point, but business is getting fed up of all of us as politicians saying, "Be prepared". Their question is, "For what?" Businesses are today operating with a shortened access to staff because of coronavirus, tighter margins and questions coming in from their banks, creditors and everybody else. They want to prepare. They want to stay afloat. They want to have a business. "Be prepared" was very good advice for a boy scout, but a boy scout did not have to face all the vagaries of trying to trade in 21st century Britain. I just hope that as a political class we understand that business needs to know what it is preparing for and as quickly as possible.

Q63 **Bob Stewart:** Secretary of State and Chancellor of the Duchy of Lancaster, hello and good afternoon. This Committee meeting will be widely watched in Northern Ireland. Say that a small shirt-factory owner in Magherafelt—by the way, I get a lot of shirts from that area—normally exports its shirts to the rest of the United Kingdom, to Wales, England or Scotland. I want to be absolutely crystal clear that, after 31 December, they will not have to do one thing differently. They will not even have to

put on their invoice some additional paragraph. They will just continue like today. That is something that the small business owners in Northern Ireland would like to have absolutely clarified as a result of this meeting.

Michael Gove: If you are making shirts in Magherafelt and you want to send them to any other part of the United Kingdom, the situation after 1 January 2021 will be exactly the same as it is now.

Bob Stewart: That is fantastic. That was the question. That is what a lot of people will be expecting to have the answer for. Thank you for clarifying that.

Q64 **Chair:** Does that include summary declarations as well, which Mr Barnier seems rather fond of?

Michael Gove: Yes, they will not be required.

O65 **Chair:** Has that been agreed with Mr Barnier?

Michael Gove: The UK Government position is clear.

O66 Chair: We will take that as a no.

Michael Gove: You would have to ask Mr Barnier.

Chair: Fine, we may do.

Michael Gove: The UK customs territory is not altered as a result of the protocol. Unfettered access is one of the clear provisions within the protocol. I expect that Mr Barnier would no more wish to undermine shirt making in Magherafelt than he would wish to undermine any business in Northern Ireland.

This takes me to the heart of our approach towards the protocol. The protocol is designed to ensure that the gains generated since the Belfast/Good Friday agreement was signed 22 years ago are consolidated. To be fair to figures across the European Union, they recognise that to impose unnecessary bureaucracy or burdensome regulation on businesses, which as you quite rightly point out are struggling in the aftermath of the Covid pandemic, would be to undermine the economic health of Northern Ireland, at a time when we all want to help Northern Ireland's citizens to achieve more and to grow.

Q67 **Stephen Farry:** We are grateful to both the Chancellor of the Duchy of Lancaster and the Secretary of State for joining us this afternoon. To pick up on the last point around exit declarations, can I just clarify that that is indeed part of the protocol? There is an expectation under the union customs code that those would be required. I wish it was otherwise, but there is a clear different of opinion between the UK Government and the EU on that particular aspect.

Michael Gove: Again, you would have to ask others, but I have not yet met anyone in Northern Ireland who says that it would be a good thing to have exit declarations required. If the protocol is designed for the people

of Northern Ireland and designed on the principle of consent, it seems to me that such an insistence would run counter to the interests of the people of Northern Ireland.

Brandon Lewis: It is worth remembering that one of the specific sentences in the protocol is that it should impact as little as possible on the everyday life of communities. That is not just backing up the Belfast agreement, but communities are businesses are well. That is why we are very clear that businesses in Northern Ireland trading with the UK will be trading on literally the same terms, in the same manner and the same way that they are doing today.

Q68 **Stephen Farry:** I want to pick up on the comments from the Chancellor around the protocol and the Good Friday agreement. First, on the status of the protocol, do the UK Government recognise that the protocol is an integral part of the withdrawal agreement, or is there still an intention to try to renegotiate aspects of the protocol, via either the joint committee or the future relationship negotiations?

Michael Gove: No we recognise that it is part of the withdrawal agreement. It is the case that certain aspects of the operation of the protocol are to be agreed by the joint committee, including the definition of goods at-risk, but as far as we are concerned it is part of the withdrawal agreement and it is our responsibility, which we take very seriously, to make sure it is implemented.

Q69 **Stephen Farry:** I do welcome that answer. Moving on to the Good Friday agreement, I have few questions to clarify in that regard. The first relates to the understanding of the Good Friday agreement, because the command paper essentially refers to the agreement purely in terms of the principle of consent, but does not reflect the wider dimensions, the internal governance, the north-south and east-west dimensions. To link these together, does the Chancellor also recognise that in the command paper it states that the entirety of the protocol can be changed by the Assembly, whereas the protocol itself only implies that certain aspects of the protocol can be changed and there are other aspects that will be permanent in any respect?

The final point is probably for the Secretary of State for Northern Ireland. Do you see a potential danger of the next Assembly election essentially being framed as a polarised choice between the acceptance of the Irish Sea interface and the potential return of some degree of checks on the island of Ireland, and people being faced with an almost impossible decision to make between those two undesirable outcomes?

Michael Gove: I hope we were clear in the command paper that it is those parts of the protocol that are the alignment provisions that are subject to a vote every four years. It is in the context of the broader principle of consent, which is one of the most important principles that the Belfast/Good Friday agreement enshrines. You are right and I am happy to confirm that any vote would be specifically on those aspects of

alignment that the protocol provides for. I will invite Brandon to address the second part of your question.

Brandon Lewis: In terms of the second part, my experience over probably more years than I care to remember of campaigning, in various elections in various places at various levels, is not to predict what people will be voting on. But I would hope that people across Northern Ireland at the next set of elections will be voting on what they want to see their politicians in Northern Ireland delivering for them, in Northern Ireland and for Northern Ireland, in prosperity, opportunity, infrastructure investment and things like that. By the time of the next set of elections, I would hope that we are seeing the benefits of Brexit, with free trade deals with our partners around the world, and that its benefits are flowing through for Northern Ireland businesses as well.

Michael Gove: To add to that, I hope in a helpful way, our overall argument is that, if citizens, businesses, politicians and civil society in Northern Ireland can see that the protocol is working, that it does what it should and that the burdens and bureaucracy associated with it are as light as possible, that will de-dramatise any vote in four years' time. If the protocol is seen to be working, it is more likely that the alignment provisions can be accepted. I will not attribute this intention to anyone, but if it were the case that it were imposed in an over-bureaucratic and burdensome manner, that would lead inevitably to a greater degree of disquiet than it may already have generated.

Stephen Farry: I hope we can avoid that polarised outcome, but I welcome that answer.

Q70 **Claire Hanna:** Thank you, Ministers, for joining us. Minister, you have placed quite an emphasis on the consent of the Assembly, including when introducing the command paper in the House a few weeks ago. You will know that the Assembly voted last week that it believed an extension was needed. Do you not place the same value on consent in this regard?

Michael Gove: I would say several things. First, the Northern Ireland protocol has an impact on all the systems of the United Kingdom, of the Irish Republic and of the EU. But it has been designed specifically to support the gains made by the Belfast/Good Friday agreement and to support the citizens of Northern Ireland. It is only natural that, because it requires specific changes, we ensure those changes are carried out in consultation with the Executive and with parties in the Assembly, as well as businesses and individuals in Northern Ireland.

On the broader question of an extension of the transition period, a UK general election was fought on that question. The Government secured a clear majority on the basis that we would not have an extension. While there was a majority in the Assembly for an extension, at least two significant parties representing a very important tradition in Northern Ireland were very clear that they did not want an extension.

Q71 **Claire Hanna:** That is a different version of consent. If both legislators as a majority—as will apply in the protocols you have worked into the Ireland protocol—and, indeed, business leaders have indicated that they will not be ready because they are punch-drunk after the experience of dealing with Covid, what is it that gives you confidence that in fact they will be ready to deal with this in six months' time?

Michael Gove: It is the intensive nature of the engagement that is being carried out and, indeed, the welcome, albeit qualified, that has been given to the command paper and the direction of travel by those most affected.

Q72 **Claire Hanna:** I know the Chair touched on this. Do you anticipate any implementation or adjustment period being required or being facilitated after 1 January?

Michael Gove: No.

Q73 **Claire Hanna:** If you are committed, then, to exiting, apparently come what may and regardless of the views or impacts for people here, what happens if there is not a UK-EU trade deal, given the very direct and very negative impacts on businesses here?

Michael Gove: Again, we hope there will be a comprehensive free trade agreements and it is in the interests of all that it should be so. Ultimately, there is a democratic mandate for the Government. Nobody could say that the Prime Minister in the election ran away from a clear commitment to exit the transition period on 31 December.

The case has been made that staying in the transition period would mean continuing to pay into the EU without having a voice in the multiannual financial framework that determines how much we would pay, continuing to be subject to EU laws, including new laws that would be shaped without our say, and being unable to take some of the steps required that would be in all our interests.

As I mentioned to Mr Parry, the Northern Ireland protocol will be honoured come what may, whatever the outcome. Like the withdrawal agreement, it was explicitly drawn up to ensure that Northern Ireland citizens and businesses are in the best place possible, whatever fruit may flow from the current round of negotiations on the future relationship.

Q74 **Claire Hanna:** You are committed to still implementing the protocol in the scenario of there not being an EU-UK trade deal.

Michael Gove: Yes, absolutely.

Q75 **Claire Hanna:** Do you have specific no-deal planning for Northern Ireland?

Michael Gove: Again, you might think I am cavilling slightly, but I do not use that phrase, because we had a deal. We secured a deal. The withdrawal agreement with the protocol in it is that deal. It is the case

that, if we leave without a comprehensive free trade agreement, as we touched on earlier following the Chair's questions, there will be specific requirements for all UK businesses. But businesses in Northern Ireland will, as has been recognised, because of the protocol, have certain advantages that businesses in other parts of the UK may not enjoy, whether or not we have a free trade agreement.

Brandon Lewis: One thing that has flowed through in the conversations I have had with businesses is that, as CDL rightly outlined, even in the first 24 hours after we published the command paper, there were pretty solid, relatively positive responses. It is because it affirms to businesses the Government's intention to deliver that protocol, which is what gives them the certainly of how to act and to continue doing business, particularly in light of how much of their business flows through and into the UK. That is why it is important and a very good opportunity, in front of this Committee and elsewhere, to reinforce that this is why we are clear that the protocol is going to be delivered in the format that the command paper outlines.

The detailed engagement we are having and have had since that publication, and will continue to have in the weeks ahead, further works through some of the details. As I say, for Northern Ireland businesses working through to the UK, which is predominantly their avenue for business, this gives them the certainty they need and the confidence to move forward. There are opportunities as we secure trade deals around the world. There is a big opportunity for Northern Ireland businesses and for investment into Northern Ireland as well.

Q76 **Claire Hanna:** How do you anticipate, in a scenario with a trade deal or without one, Northern Ireland managing the costs of the various tariff and non-tariff barriers that may apply?

Michael Gove: Obviously, tariffs only apply to the goods that are at risk or that enter the single market. There is a capacity for the UK Government to cover those costs for Northern Ireland businesses. It is also the case that the UK Government are working with the Northern Ireland Executive to make sure that any additional administrative costs that may be required are met by the UK Exchequer, as a demonstration of the strength of the UK overall, the broad shoulders that enable us to carry all four parts of the United Kingdom forward together.

Q77 **Claire Hanna:** Are you committing, then, to funding the cost of any hardware or software that businesses here or businesses that trade with Northern Ireland will require in order to manage those costs, due to the frictions you are applying?

Michael Gove: We are engaging with business. I should not write a blank cheque for anyone who may say, "I will now require X or Y", but we are working with the Executive to ensure that the UK Government can stand behind the additional steps that they and others may need to take.

Q78 **Claire Hanna:** When can you specifically say that businesses will have details of what compensation will be available to them?

Michael Gove: In the event of there not being a free trade agreement and goods being liable for tariffs if they enter the EU single market, businesses should have complete confidence in knowing that those tariff costs will be covered. As I say, there is a generous package of support that we are providing. We are in the process now of engaging with business because, as the Secretary of State pointed out, we need to make sure that what we are providing is what business needs.

Q79 **Claire Hanna:** At what point will businesses have clarity and certainty around the funds that will be available to them in that scenario?

Michael Gove: Again, we are engaging with business now in order to determine and to discern both how the authorisation and operationalisation of the protocol will bear on them, and therefore what additional costs they may have. There are various approaches that the Northern Ireland Office, HM Treasury and HMRC can take to smooth the path for business.

Q80 **Claire Hanna:** Minister, you will know that the protocol means that Northern Ireland is subject to the EU regulations without democratic participation. Do you have proposals in place to address that? Do you see any solutions within the Good Friday agreement?

Michael Gove: It is a fact that, for Northern Ireland to enjoy both unfettered access to the UK's internal market and access to the EU single market without the need for any border infrastructure on the island of Ireland, there are alignment provisions in the protocol that Northern Ireland businesses have to follow, as you rightly point out. We recognise that. We recognise that that is part of what allows the protocol to work. We intend to approach that in a pragmatic fashion.

Q81 **Chair:** Can I just apologise, colleagues, for what seemed to be a technical glitch from North Dorset? I dropped out for a moment or two. CDL, you talked about conversations with business in relation to Claire Hanna's question. Can you define from nought to 10 the bandwidth of interest from business at the moment in engaging, given everything else that is going on?

Brandon Lewis: I am probably best placed to answer that. We have found business very, very willing and enthusiastic about engaging. I absolutely understand. My business career is a few years behind me now, but I still remember it. Businesses want information. They want to know as much as they can as early as possible. They have been very, very positive in engaging with the team, both the officials and at ministerial level, across all sectors.

That is why the engagement we are doing is not limited to a particular group. If people have other organisations or businesses that they want to be involved in these business engagement forums, I am very happy for

them to be involved and join in. It is working both with the Cabinet Office through CDL's team, Brendan and the team here, and through other Government Departments. We have found businesses very keen to engage and their representative groups very engaged in the process.

Chair: Thank you. That is encouraging.

Q82 **Mary Kelly Foy:** Good afternoon, Ministers. You referred earlier to what is meant by unfettered access in the command paper. Could you share with us what the EU's response has been to the Government's command paper? Are there areas there where they have either accepted or not accepted our approach?

Michael Gove: The particular knowledge that I have of the EU's approach comes from conversations I have had with Maroš Šefčovič, the Commission Vice-President, who is a co-chair of the withdrawal agreement joint committee. I have to take this opportunity to thank Vice-President Šefčovič for the very constructive and open way in which he and his team have engaged. They are anxious, as we are, to make sure the protocol works. They are keen to see, as we are, the acceleration of the operationalisation of the protocol. We are working with them to share technical details, to satisfy them and to reassure others that our approach will work.

Q83 **Mary Kelly Foy:** Are there any areas in particular where there is a likely disagreement?

Michael Gove: I hope not. Again, I do not want to imply in any way that the European Commission is 100% happy with everything the UK Government has ever said or done. However, it is the case that the approach Vice-President Šefčovič has taken is a constructive one. He is a pragmatic leader who has the interests of Northern Ireland at heart. He wants to make sure that the protocol will work. In all the conversations we have had, he has been concentrated on making sure the detail of our proposals will work, rather than anything else. I am very, very grateful to him for the constructive approach he has been taking.

Q84 **Mr Campbell:** It is nice to speak to both Ministers again. Mr Gove, at the very start you were unequivocal about the lack of any additional paperwork for Northern Ireland businesses come 1 January. Let us assume that the first week of January arrives and there has been no free trade agreement with the EU. Will you be as unequivocal then as you are now?

Michael Gove: Yes, when it comes to goods moving from Northern Ireland into the rest of the United Kingdom, the situation will be exactly the same.

Q85 **Mr Campbell:** Come what may.

Michael Gove: Come what may.

Q86 **Mr Campbell:** To expand on that, there are some businesses in Northern

Ireland whose product range includes bringing elements of their product in from GB, to manufacture here in Northern Ireland and then sell back into GB. How would they fit into your unequivocal statement?

Michael Gove: There is a difference when it comes to goods going from GB to NI. There are additional new processes. We want to make them as light touch as possible and, as I hope the command paper makes clear, there are specific provisions, SPS provisions, for products of animal origin, agri-food products. It is also the case that there will be a requirement—we believe it will be light touch and conducted electronically—for appropriate processes when goods go from Great Britain to Northern Ireland.

Q87 Mr Campbell: At what point would we know what "light tough" means?

Michael Gove: That is exactly the work that is going on now between HMRC, the Northern Ireland Office, Northern Ireland businesses, the Northern Ireland Executive and us, to try to ensure we can operationalise them in as non-bureaucratic a way as possible.

Q88 **Mr Campbell:** Just to follow up on the principle of unfettered access, if legislation was required to guarantee that, what would it look like?

Michael Gove: We believe that it may well be necessary to have additional legislation. That is something that we are considering. The aim would be to make sure that the broad position outlined in the command paper and the operationalisation of it was clear and consistent.

Q89 **Mr Campbell:** For the avoidance of any doubt, you can understand why there is confusion, given what Michel Barnier says and then contrasting that with what you have said today. Are you absolutely certain that there will be no infrastructure that people will construe as being a barrier to trade between Northern Ireland and GB, and additional barriers between GB and NI?

Michael Gove: When it is NI to GB, there is nothing additional. GB to NI, we think it may be necessary to have additional staff to carry out some of the SPS checks. This is building on the principle that the island of Ireland has been a single epidemiological zone and is now a single SPS zone. I do not mean to be flippant, but the point was made at the height of the BSE crisis by Ian Paisley that Northern Ireland benefited from the fact that, while his voters were British, his cows were Irish. On that basis, we recognise that distinction.

There will be a requirement for some additional custom processes, but we are seeking to make sure that the experience for anyone arriving at any port in Northern Ireland is such that they would recognise that they were travelling within the UK customs territory and within a sovereign United Kingdom. It will be an experience that would remind anyone that they were recognisably part of one single state.

Brandon Lewis: It is worth adding to that point that, as the Chancellor outlined, at Larne and Belfast, those live animal agri-food checks are building on what has been happening in one form or another since about the 19th century. To reinforce our point around making this as smooth, flexible, swift and easy as possible for businesses, we are absolutely clear that there will be no new infrastructure. This is building on processes that are already there. Northern Ireland to GB is completely unfettered, but even GB to NI there will be no new infrastructure.

Michael Gove: The argument we are making to the EU is that, if people within Europe insist on significant new infrastructure and a significant new presence, it will make the protocol less acceptable to the majority community in Northern Ireland. Therefore, you run the risk of the protocol being voted down in a future election. If you want to genuinely help the people of Northern Ireland, you will go with the approach in our command paper.

The argument has often been made by some EU politicians that the EU is ultimately a peace process. It is about bringing peace to the continent of Europe in the aftermath of the Second World War. Our argument is that you must therefore recognise that the really important thing in Northern Ireland is not adhering to a maximalist approach towards the protocol. It is respecting the fact that the people of Northern Ireland, as a result of the Belfast/Good Friday agreement and the principle of consent, have said again and again, "We are part of the United Kingdom". That needs to be honoured and respected.

Q90 **Mr Campbell:** I am glad you said that, because over a period of months many people talked about the hardware or security checks that could happen in the border area of Northern Ireland and how they could be targeted by dissident republicans. Equally, no one would want to see others targeting whatever framework might be set up at ports on an east-west basis.

The final question is on the issue of at-risk items. What is to stop the EU insisting on quantifying or assessing as at risk items that, for the most part, we in the UK and Northern Ireland would clearly specify as items being not at risk? Therefore, a dispute emerges about what goods constitute at-risk goods.

Michael Gove: The RTÉ Europe editor, Tony Connelly, said that the attitude of some towards goods at risk was that goods were guilty of being at risk of going into the EU until proven innocent, whereas the UK view was that these goods were innocent of being at risk of going into the EU until proven guilty. It is a proud principle of our law that innocent until proven guilty is the way you should approach things. That is the way we are approaching this. The command paper makes that absolutely clear.

On top of that, others must recognise that, where goods are circulating within the customs territory of the United Kingdom, with economic operators who are trusted, going from a distribution centre in Glasgow to

a supermarket in Ballymena, any attempt to over-interpret that will be harmful to business in Northern Ireland. For the majority community, it will be ill regarded. One thing that is sometimes overlooked by some in the EU is that the majority community in Northern Ireland has been very clear that it wants Northern Ireland to stay in the United Kingdom.

Q91 **Chair:** Chancellor, would we be right to arrive at the position that the Government's position is that there should be no paperwork burden, installations and the like? That is the British Government's position, our Government's position, but, as a process of negotiation, that might manifest itself in a different way. Therefore, we need to put a health warning on aspiration and the ability to deliver on the aspiration. Is that a fair assessment, would you suggest?

Michael Gove: No, I do not think so. I can understand the thrust of the question and the challenge within it. No, the command paper, as UK Government policy, will be legislating for unfettered access. As I mentioned earlier, to be very fair to Vice-President Šefčovič, his approach has been this: "It is for the UK to implement. It is UK customs territory. We understand why you are taking the approach you are. We simply want to be involved and make sure the implementation is appropriate and effective." If I may say so, that is strong, effective, helpful and pragmatic leadership from Vice-President Šefčovič.

Q92 **Chair:** Allied to that, following up from the questions of Mr Campbell, what conversations are you having, Secretary of State, with the chiefs of police north and south of the border with regard to smuggling, the need to depress it as much as possible and to keep that in the forefront of our minds when progressing these negotiations.

Brandon Lewis: You will not be surprised to know that I talk to the chief constable of PSNI on a regular basis most weeks, more than once in some weeks, on a range of issues. I hope you will appreciate I am not going to go into great details here around those conversations.

I am sure the Committee will be acutely aware that one of the reasons that unfettered access and the structure of the protocol is important is to make sure we have a system that is deliverable for all communities in Northern Ireland. Recognising the challenges that both the Garda and the PSNI are dealing with is an important part of that. They have a very, very good working relationship. I talk to the Tánaiste, Simon Coveney, regularly as well, so we have a very good working relationship, as does CDL. We have had some joint conversations on a range of issues, particularly through Covid, and will continue to do so.

There is a very good working relationship between our friends and partners in the Republic of Ireland, at a police level, at a political level and with officials. We are always alert to these issues, but we need to remain alert to them. This goes across the United Kingdom, wherever you are. Having been a Security Minister, I have seen this through the Border Force in other parts of the UK. We are doing all we can to deal with

smuggling and ensure that people who smuggle face the law in the right and proper way through due process, and that the rule of law is abided by.

Q93 **Chair:** As a former Security Minister, you do not need me to tell you it is not so much the act of smuggling per se. It is what the profits of the smuggling can be used for that we need to be very alert to here.

Brandon Lewis: I understand exactly the point you are making. There is a wider issue that the PSNI is working on and deal with on a day-to-day basis. If the crux of your query is whether I am alert to that, yes, I am. It is something I talk to PSNI about regularly.

Chair: Thank you very much indeed. Welcome Hilary Benn, our guest interrogator.

Q94 **Hilary Benn:** Thank you very much indeed, Chair. Thanks to you and the Committee for your kind invitation. I want to explore a bit further the question of what happens to goods moving from GB to Northern Ireland. I would like to begin with you, Secretary of State. Can you confirm that goods moving in that direction will require entry summary declarations?

Brandon Lewis: As the Chancellor outlined a short while ago, we have outlined as per the withdrawal agreement recently some work for live animals and agri-food. For wider goods, we want to make sure there is a very, very smooth process, as close to business as usual now for GB to NI as we are confirming for NI to GB. That is partly what the engagement with business is about at the moment, to go into details of how that can work in a way that is efficient and fluid for business and ensures that business can continue in a very smooth way.

It will also continue to form part of the conversations with the EU that CDL and the joint committee are having, which the Northern Ireland Executive also attend where the Northern Ireland issues are pressing.

Q95 **Hilary Benn:** That is very helpful, but unfortunately it does not answer the question, so I will put it to you again. Will goods moving from GB to Northern Ireland require entry summary declarations—yes or no?

Michael Gove: They will not require export declarations, exit declarations or customs and regulatory clearance, but there will be some new safety and security information.

Q96 **Hilary Benn:** Specifically, will entry summary declarations be required? The answer is either yes or no.

Michael Gove: We are developing an approach. I have outlined those that will not be required, but there will be some safety and security information.

Q97 **Hilary Benn:** Does that include an entry summary declaration?

Michael Gove: I have given my answer.

Hilary Benn: I am not clear what the answer was. Perhaps I can assist you.

Q98 **Chair:** Hilary, can I maybe give the Chancellor a third option? Is it yes, no or maybe?

Michael Gove: There will be detailed operational guidance this summer.

Q99 **Hilary Benn:** Can I assist? In the impact assessment, which the Government published alongside the European Union (Withdrawal Agreement) Bill on 21 October 2019, in paragraph 241, which covers east-west movements, it states, "Goods moving from Great Britain to Northern Ireland will be required to complete...entry summary (ENS) declarations". That is what the Government said in October of last year. Either the position remains the same or the position has changed. I do not quite see how you can rest on "I have given you my answer". If the Government said they would be required in October last year, is it still the Government's position that they will be required—yes or no?

Michael Gove: I have explained that we will have more guidance in the summer about exactly how the system will work.

Q100 **Hilary Benn:** Why did the Government say in October that entry summary declarations would be required?

Brandon Lewis: I can probably help here. As I was saying earlier on, even in the last few weeks and before my time as Secretary of State, there has been intensive ongoing consultation with businesses in Northern Ireland. There have been the negotiations and discussions with the EU since and before we passed the legislation for the withdrawal agreement back in January this year. One thing that is very clear, which I know from previous roles, is that, if you think about goods that are moving from Great Britain to Northern Ireland, as the Chancellor outlined, safety and security checks are an example of one of the things we are looking at. We are looking at full guidance for this summer.

For businesses that are moving products from GB to NI, and actually businesses that are moving products around anywhere within the United Kingdom, one thing that was clear to me previously was that the amount of data those businesses have is far beyond the data that is passed to Government. They have that data about what the goods are, where the goods are coming from and where they are going to. Those businesses potentially, as part of those safety and security declarations, adding a field to the information they are already putting in, with information they already have, is not adding to any of their challenges or issues. It is a very smooth way of doing things and does not require any further infrastructure.

We are discussing this with business. Brendan's team and my team, through Colin and the teams, are having these engagements with businesses over the next few weeks, as well as the conversations that the

team are having with the EU. That is why we will able to publish the detailed guidelines during the course of this summer.

Q101 Hilary Benn: Will import declarations be required?

Michael Gove: No.

Q102 **Hilary Benn:** The Government's impact assessment said in October of last year that goods moving from Great Britain to Northern Ireland will be required to complete both import declarations and the entry summary declarations I was pressing you on a moment ago. You have just said no and the Government said back in October that they would be required, so what has happened?

Michael Gove: It is important to stress that we are in a process now of making sure, as the Secretary of State pointed out, we have the correct operationalisation of all the measures required. That is to ensure that the EU can be satisfied that we are taking steps not only to ensure unfettered access for goods from Northern Ireland to the rest of the UK, but also to protect the internal market. We will be saying more precisely about how we will be doing that when the engagement with business ends.

Q103 **Hilary Benn:** Will export health certificates be required for products of animal origin—yes or no?

Michael Gove: Yes, they will.

Q104 **Hilary Benn:** Will phytosanitary certificates be required—yes or no?

Michael Gove: It will depend.

Q105 Hilary Benn: It will depend on what?

Michael Gove: It will depend on the nature of the product.

Q106 **Hilary Benn:** In what circumstances would a certificate of origin be required?

Michael Gove: That is one of the matters we are talking to business about at the moment and seeking to ensure we can implement in the most appropriate way.

Q107 **Hilary Benn:** Have you done any assessment of how many such declarations will have to be made from 1 January next year? I am trying to understand the impact on business and of course the associated cost. Some of these declarations and certificates involve a cost, which will fall on the businesses that are moving the goods from GB to Northern Ireland. Have you done an assessment?

Michael Gove: There are two things. First, as I have stressed, we are seeking to minimise the overall burden that is required on business. We are doing that in consultation with business. We are also seeking to ensure that the systems HMRC and others put in place are appropriate. Unless and until we have a clearer sense of what business considers to be appropriate and what we consider to be deliverable and effective, it would

be wrong to put a figure on that. It will be the case, as I mentioned earlier, that there will be a generous package of support for business.

Brandon Lewis: For clarity for anybody reading or looking at this later, none of your questioning applies to goods going from Northern Ireland to GB. They will have unfettered access.

Q108 **Hilary Benn:** I understand that entirely. That is why I said at the beginning I was focusing on goods moving GB to Northern Ireland. A recent case study saw a lorry carrying 1,392 different items across the Irish Sea. Post-transition, each item would require a different tariff code. In this case study, this includes over 500 products of animal origin. Can you confirm that each of those 500 items in this case study would require an export health certificate?

Michael Gove: I would have to see the case study before being able to answer.

Q109 **Chair:** Could I intervene here? If, Mr Benn, you provided that case study to the Chancellor of the Duchy of Lancaster, maybe the Chancellor could respond to the Committee on that point, having seen it. I agree it is probably unfair to ask him to answer in detail now, but if you could commit to that, Chancellor, it would be very helpful.

Michael Gove: I would be delighted to do so.

Q110 **Hilary Benn:** It is contained in the very helpful brief that the Committee team produced for the Committee today, so I am sure that can be forwarded to the Chancellor of the Duchy of Lancaster. Last week, you announced that, when it comes to goods from the EU moving into the UK, you are not going to apply full checks from 1 January. Because of coronavirus, you said businesses require more time. Can you confirm that there will not be any extra time for any of the processes we have just been discussing when it comes to goods moving between GB and Northern Ireland, because all of this has to come into effect on 1 January next year? Is that not the case?

Michael Gove: Yes.

Q111 **Hilary Benn:** At the moment, the answer to a number of questions about what will be required is, "We do not know. We are still looking at it. We are trying to work it out". Does that not make it rather difficult for the businesses in GB, and those in Northern Ireland, to know at this stage what on earth they are meant to be preparing for, and what documents they are going to need in order to continue to move goods, when basic questions about what will or will not be required are currently not known?

Michael Gove: It is the case that, by definition, the engagement that we are conducting with business, the work that is being done by the border and protocol delivery group and the work that is being done by HMRC is designed to ensure that the burden on businesses is as light as possible. When it comes to the requirement for import declarations and so on, we

want to make sure that we do not simply take the existing model, as has been understood elsewhere, and apply that in the rigid fashion that some have argued for. It is the case that we are seeking to make sure that it is as light touch as possible.

The analytical heuristic that I think you are applying is to assume that the movement of goods from Great Britain to Northern Ireland is a movement of goods from one customs territory to another. The difference is that Northern Ireland and the rest of Great Britain are one customs territory. The protocol is of course a novel approach, but it is one that is designed to ensure that UK businesses can operate as effectively as possible, and that Northern Ireland businesses can have unfettered access, and that the movement of goods from GB to NI can be as smooth as possible.

Yes, it is the case that, to provide our partners in Europe with reassurance that their single market is being protected by our policing of it, there will be a need for administrative processes. It will be the case that we will provide the information that, in different circumstances, an import declaration provides, but we are going to do it in a different way. In that sense, the description of what an import declaration does when a good is moving from a country outside the EU into the EU is different from the requirement for the information that HMRC will place on businesses sending goods from Great Britain to Northern Ireland.

Q112 **Hilary Benn:** Can you confirm that the protocol means that UK authorities apply EU customs rules to goods entering Northern Ireland?

Michael Gove: No, not quite. It is our responsibility to make sure the provisions of the union customs code are applied, but consistent with the effective operation of the protocol.

Q113 **Hilary Benn:** The words I just put to you, Chancellor of the Duchy of Lancaster, are a quotation from the document you published last month, *The UK's Approach to the Northern Ireland Protocol*. If you have just given me the answer that you have, why did it say in that document, "The protocol means that UK authorities apply EU customs rules to goods entering Northern Ireland"?

Michael Gove: The point is that we are applying the union customs code in a way that is consistent with the other principles we have brought out. One thing about the protocol is that you need to look at it in all its dimensions. It is the case that, if one were to take a single sentence, either from the protocol or, indeed, from the document, that would give overall a misleading impression. While it is true that the union customs code is the responsibility of the UK Government to police in order for the protocol to work, the way in which we will police it will be different from the way in which the EU would apply the customs code at its own external border.

Brandon Lewis: As you will know, Mr Benn, the entire command paper, rather than, as CDL said, a particular quote from it, is very clear about

protecting Northern Ireland's place in the UK's customs union, as we have said earlier on this afternoon,. It is part of the UK customs territory.

Hilary Benn: Indeed, I understand that.

Michael Gove: If it is the purpose of the question to elucidate rather than not, it is important to put that partial quotation in the broader context we have just outlined.

Q114 **Hilary Benn:** It is not a partial quotation. It is an entire sentence. It is from paragraph 29. Anyway, we will leave that on one side.

Michael Gove: Sentences can be harmful if they are not taken in their context.

Q115 **Hilary Benn:** Have the Government proposed to the joint committee a way of defining what goods are at risk of entering the EU? Have you put a proposition in your discussions thus far?

Michael Gove: We have discussed those principles in the joint committee. The joint committee is, by its nature, confidential. Some of the points that have been made by Vice-President Šefčovič I have to treat in confidence. I can say, as I mentioned earlier, that Vice-President Šefčovič is looking to make sure we can have a pragmatic approach towards the protocol, which makes sure we deliver the reassurances the EU seeks, but also that it works in a way that has been agreed in the interests of the United Kingdom as well.

Q116 **Hilary Benn:** When does that definition need to be agreed so that businesses know what it is they are meant to be applying from 1 January next year?

Michael Gove: As I pointed out, our approach, as outlined in the command paper, is that no tariffs are payable while goods are in the UK customs territory.

Q117 **Chair:** Chancellor, you mentioned in an answer to Mr Benn that you were discussing with Northern Ireland and GB business what should be included and how it should manifest itself. We have five and a half months, broadly, to go between now and 31 December. What is the end date for that discussion or consultation to conclude?

Michael Gove: We want to proceed as pacily as we can. The point that the Committee has made in various questions about the vital importance of making sure that we can help businesses get ready is well taken. That is why we are hoping to resolve some of these questions in short order, to ensure that HMRC can operationalise the new procedures as effectively as possible.

Q118 **Chair:** We have had "at pace", "in short order" and "in the summer".

Michael Gove: Yes.

Brandon Lewis: They are absolutely complementary points.

Q119 **Chair:** Thank you, Secretary of State. The point I wanted to make was this. "At pace", "in a timely fashion" and "in the summer" are all fine. Those are all acceptable terms, but any consultation that Government ever launches says, "Responses to this consultation must be received by Mr or Ms So-and-so by whenever". Otherwise, people do not have a deadline to which to work. What is the deadline that you are expecting business to respond to Government by as to what they would find workable, acceptable or desirable, and then for Ministers, through the joint committee and everything else, to work out what it is going to be?

Michael Gove: Normally, one has deadlines on consultations because you want to make sure that people who might not otherwise be actively engaged know that, to coin a phrase, the clock is ticking. I do not think anyone can say that Northern Ireland business is not actively engaged. You were good enough to ask us earlier, on a scale of nought to 10, how engaged business was, and the Secretary of State made the point that business is incredibly engaged. Leaders in Northern Ireland business, Ivor Ferguson, Declan Billington and others, are working daily with those they represent, the Northern Ireland Office and others, to make sure we have the best possible means of progressing things. It is not the case that there is any reluctance or laggardness on their part of the kind that might require a deadline to concentrate minds.

Q120 **Chair:** We have heard from business representatives that they have found it very tricky to get attention from business on this issue because of the challenges of coronavirus. The Government's own data tells us that 61% of businesses across the UK have given no thought or made any preparation for this seismic event, which of itself should be surprising to everybody. If business wishes to remain in business, it should do. You must have a drop-dead date by which you will then say, "We have all the information that we have had through this consultation process. We are now going to formulate the response and draft the forms".

Michael Gove: There are two things I would say there. First, the 61%, unless I am mistaken, refers to businesses across the United Kingdom and their preparation for our departure from the single market and the customs union. I was referring specifically to the engagement of Northern Ireland businesses, and those who do business in Northern Ireland, with the protocol. Whatever view one takes of the level of business engagement on the first matter, the level of business engagement on the protocol has been intense and constructive. The Secretary of State may wish to say more about that in a moment.

By definition, there are some clear deadlines, including 31 December, as you are aware. In the conversations that are being conducted now with business, everyone recognises that the need for speed is there, but the need to bring an effective resolution is also there. That is what we are seeking to do. That process means, to restate, taking on obligations to ensure the union customs code is applied in as appropriate and light-touch a way as possible, making sure we recognise that we are playing our part in protecting the EU single market and customs procedures, like

import declarations, are subsumed into a new process, which provides people with the guarantees that are required. It will not look like existing processes, but it will fulfil the requirements that all the parties to the protocol have recognised are relevant.

Brandon Lewis: The Chancellor of the Duchy of Lancaster is absolutely right. As I said earlier on, we have not seen any hesitation from business in engaging. They have been very positive in their engagement with us throughout this process, both through Covid, to be fair, and through this process of looking at the protocol. I would describe it slightly differently to how you did, Chair. You talked about consulting with business. Actually, this is more of a collaborative engagement. This is a two-way conversation. It could be businesses talking to us about the topics they want to talk about, hence why we had HMRC join us to talk to them last week.

This is actually about working through a process with business, rather than a classic, "Here is a form. Fill it in. Give us your views". It is a genuine dialogue and collaborative conversation. It is right that we are having that in a very detailed and intensive way. I know officials have been talking with businesses several times, even since I did just last week. That work will continue so we can get to a point where we have a good understanding and a good collaborative outcome from that work with business to be able to publish those guidelines this summer.

Q121 **Chair:** But the two are not incompatible, are they? You can have collaborative, meaningful consultation and engagement, and deadlines. Surely there must be a broad acceptance of the principle that it must be desirable to have more than one stepping stone in this process from mid-June to the end of December, rather than just leaping from mid-June to the end of December. There should be some staging posts in place to say, "We need to hear from this group by then so that we can respond by such and such", and then take that to Barnier or whoever. This open sky approach may have been appropriate two or three years ago, but six months out seems to me to be playing with fire.

Michael Gove: There are three things there that I would respond to. The first is that Michel Barnier is the negotiator on the future relationship. The protocol is separate from that. Our interlocutor is Maroš Šefčovič.

Secondly, there are specialised committees that sit under the withdrawal agreement joint committee. They are the means by which the European Commission, the UK and relevant parties engage in these discussions.

Thirdly, it is not the case that the conversations are being conducted rather in the manner of correspondence in an 18th century novel, where we wait for a polite reply from one participant before we then draft our own. It is an intense and collaborative process, in which both sides, business in Northern Ireland and the UK Government, have a clear incentive to make progress. It is not the case that either of us is being dilatory in doing so and there has been no lack of energy in doing so.

Again, the determination of both sides to make sure we can have the most effective and light touch approach is there. Both sides are incentivised to do so. There is no reason for the UK Government or any of its constituent agencies to drag their feet and there is no reason for businesses in Northern Ireland to be backward in coming forward.

Brandon Lewis: That works very, very fluidly and positively, in the sense that businesses know that, when they are engaging with us, either at ministerial level or with officials, Brendan and Colin, who are working together across Cabinet Office and NIO, and with our colleagues in the Northern Ireland Executive, they are feeding directly into the conversations that are being had with CDL and the team looking at the specialised committee. It is a completely joined-up process. As CDL rightly said, and you have said as well, Chair, business wants to get this information, so it is incentivised to be working with us very proactively. There is no need for us to put artificial deadlines down when we are working through this in a very productive way that works for business. It is fluid enough to be part of the process, rather than just feeding into it.

Chair: Chancellor you have mentioned novels. Occasionally during this meeting I have started to feel a little bit like Alice in *Through the Looking-Glass* having a conversation about what words mean.

Q122 **Mr Campbell:** I would like to bring some clarification, if the Chancellor could, on the issue of the frustration, which I am sure he senses, in the Committee. We are reflecting the frustration out there in the community. Mr Benn dwelt on the issue with GB to NI movements for some time there. How likely do you think it is at this stage in mid-June, six months from the end, that the EU will agree to waive the requirement for exit summary declarations? How likely is it that they will do that?

Michael Gove: Is that for exit summary declarations from NI to GB?

Chair: I think Mr Campbell meant the other way round.

Q123 Mr Campbell: Yes, GB to NI.

Michael Gove: From GB to NI, it is the case that there will be a need for processes there. We have made it clear to the EU that we will put in place a system that is light touch but also enables it to have the reassurance that the EU single market is protected.

Q124 **Mr Campbell:** Will that include the exit summary declaration?

Michael Gove: One of the points I made to Mr Benn is that a variety of different processes are required when you are moving goods into or out of the European Union from a third country. Because we are talking about what happens within the UK customs territory, in order to help protect the EU single market, we are doing something that is novel but builds on and helps to ensure the rules of the union customs code are observed. It is important to say that we in the UK control what happens within the UK,

so therefore it is not the case that there is an exit declaration, because no good is leaving the UK.

Q125 **Stephen Farry:** I want to turn now to talk about IT and infrastructure. Going back to what Hilary Benn said, I am counting at least five different checks between GB and Northern Ireland in the best-case scenario, which will be the entry summary declarations, the export health certificates, rules of origin certificates, export control certificates and SPS checks, depending upon the good. In the worst-case scenario, tariffs will have to be paid, potentially with the cost reimbursed to business, but tariffs paid up front. Will this require a new IT system? If so, how are we getting on with the preparation of that IT system?

Michael Gove: The first point to make is that HMRC has developed a new system, CDS, which is there to make sure the whole administration of the requirements it has placed on business is easier. We want to make sure that the processes of assurance, which you alluded to, are provided in the least onerous way. That is exactly what HMRC and, indeed, the Northern Ireland Office are engaging in providing. Some of the checks you mention, as people will know, the SPS checks and indeed the EHCs, will only be required for a specific subset of goods.

Q126 **Stephen Farry:** Will we require a bespoke IT system for the Northern Ireland protocol, as opposed to the IT system that handles the UK more generally?

Michael Gove: No, I do not believe so. There are two IT systems that HMRC runs, CDS and CHIEF, and they operate in different ways across the United Kingdom. When it comes to the particular SPS and other requirements, we have our own system, which will be up and running, IPAFFS, and the EU has its system, TRACES.

Q127 **Stephen Farry:** Can you give us a guarantee that there will be no IT glitches on 31 December and we will be fully operational?

Michael Gove: I cannot give that guarantee. One thing I have learned in the course of the last few months and, indeed, I knew beforehand is that IT is never free from glitches.

Brandon Lewis: The Chair dropping out earlier on highlighted that for all of us.

Chair: Thank you, Secretary of State.

Q128 **Stephen Farry:** That suggests a fairly significant risk in the system, given that the desire is that most of these processes will be electronic, as opposed to physical. Turning to the physical checks, I do not quite grasp this commitment to no new infrastructure. Surely moving from checks on what are live animals to checks on foodstuffs will involve a significant scaling up of the level of materials to be checked. We are talking here of every piece of frozen lasagne moving between Great Britain and Northern Ireland potentially being liable to check. I am at a loss as to how that can

be done within the existing limited infrastructure in both Belfast and Larne.

Michael Gove: You are right that Belfast and Larne are the principal ports. It is important to bear in mind that it is only ever a proportion of products of animal origin that are checked in this way, that are subject to physical checks. Yes, there are documentary checks, depending on the nature of the relationship. There are documentary checks on 100% of products of animal origin that enter the EU single market, but the number of physical checks is proportionately much smaller. The existing facilities that are there for checks on live animals can be built on, to ensure that appropriate checks can be carried out.

It is important to stress that we made the point in the command paper that there would be no new customs infrastructure, but that we would build on the existing provision in Belfast and Larne ports, to ensure that any physical checks that products of animal origin were required to undergo could be taken in those ports.

Q129 **Stephen Farry:** I am glad that you are making that distinction between customs infrastructure and regulatory infrastructure. Bearing in mind we are six months out, and that infrastructure is not in place and has not really been designed yet, surely this is yet another risk in the system.

Michael Gove: I hand over to Brandon because, thanks to the good work of the Northern Ireland Executive, this work is ongoing.

Brandon Lewis: DAERA has been working, with support from Defra and the team, on this over the last few weeks in a very productive way, which is good to see. I would stress here that we have been very clear that there will be no new customs infrastructure.

Coming back to the point one of the Committee made earlier on and building on the point the Chancellor just made, it is worth bearing in mind that the vast majority of compliance that is carried out remotely is done using cross-Government risk analysis and risk assessment. I have seen this in previous roles. That is because of the intelligence and understanding we have of what goods are as they travel around the UK and into the UK from the rest of the world.

We also, in all this, need to remember that customs checks themselves, even now, are only made on just under 1% of goods that are coming in from the rest of the world. That is why we are confident and we have been very clear in giving that commitment that we are not going to be putting in new customs infrastructure.

Q130 **Stephen Farry:** Talking of regulatory checks, I appreciate the point around market surveillance can be the case for non-animal product goods, but when we are talking about the animal products those checks will be at the point of entry, not elsewhere within Northern Ireland. There is a very big difference between checking a lorry full of live animals and a mixed load of different products coming across, whether it is for Tesco,

Asda or Sainsbury's. That will require additional infrastructure. While the Northern Ireland Executive, as you say, started this in the past few weeks, it is starting very late. We are seven months away from the deadline.

Michael Gove: Yes, but that work is going on. As I stressed earlier, it is not the case that you need 100% physical checks on products of animal origin.

Q131 **Stephen Farry:** Finally, I want to come back on your point around the engagement with business. To what extent are you directly engaging with the pharmaceutical sector? I think Claire also made reference to this in the Commons this week. There is considerable unease, in that the regulatory systems for medicines being transported from Great Britain into Northern Ireland is not clear. That could pose particular risk to the NHS in Northern Ireland. Is that something you could look at over the coming weeks between both Departments?

Michael Gove: The Department of Health and Social Care is doing work on this, but I know it is also the case that the Secretary of State has been engaging personally with people in the pharmaceutical and diagnostic industry in Northern Ireland.

Brandon Lewis: Yes, the Department of Health, Lord Bethell himself, has been engaging on this issue, because obviously there is a very specific health issue there. I know they have been liaising with the Department of Health through the Northern Ireland Executive as well to make sure they have all the feedback from the sector. We are also engaging, in a wider business sense, with representative groups right across all sectors. As I said to the Committee earlier on today, Mr Farry, if there are individual organisations or businesses that you want to ensure we are involving in that engagement, that you think could contribute to it and at the moment are not, please let us know. I would like to think you will find that we are engaging with a very, very wide group to cover pretty much all sectors. I am very happy to welcome anybody to join us for one of these meetings and to contribute as well.

Q132 **Claire Hanna:** The trade documents published yesterday by the Department for International Trade on free trade arrangements with New Zealand and Australia say quite specifically that Northern Ireland's economy would be negatively impacted by those free trade arrangements. Is there a limit to the amount of damage that you think the Northern Irish economy can or should sustain as a result of them?

Michael Gove: I am sorry; what documents are you referring to? I beg your pardon.

Q133 **Claire Hanna:** Two documents were published yesterday by the Department for International Trade, regarding free trade arrangements with New Zealand and Australia.

Michael Gove: What do they say?

Q134 **Claire Hanna:** They specifically map the impact of those arrangements on the whole of the UK and they specifically, by your own Government's assessment, indicate that there will be a negative impact on Northern Ireland's economy. I am asking, if that is acceptable, just how much damage you think Northern Ireland's economy can bear in that regard.

Michael Gove: I do not believe that is what they say. What is the negative impact on Northern Ireland's economy that is projected to occur?

Brandon Lewis: I think what you are referring to is what the documents recognise and believe would be Australia and New Zealand's objectives, from their point of view, but we are in a negotiation and that does not match ours. Our objective is to make sure all of the UK benefits from UK trade. There are some big opportunities because Northern Ireland businesses will be able to benefit as part of the UK in any deals we do with third countries. There is a big opportunity there.

To Mr Farry as well, just for your confidence, the pharmaceutical industry has actually been today part of some engagement and discussions with our officials at NIO. That is very much ongoing. As I said, if there is anybody specifically, please let us know.

Ms Hanna, what you are outlining is not what the UK Government say is going to happen. It is us recognising what the objectives are for Australia and New Zealand, which, for their negotiators, in our understanding, is saying, "We want the best deal for our businesses".

Q135 **Claire Hanna:** I will put my question in a different way, because it outlines what they will be seeking in that negotiation. By the way, I think people will read a lot into the fact that our papers on that are 180 pages and there are 20 pages in regards to Northern Ireland. I think people will pick up on what that means. I will put my question in a different way. That is what you think New Zealand and Australia will be looking for. What specific benefits do you see to the Northern Irish economy from those two free trade arrangements? What specific sectors do you anticipate benefiting?

Brandon Lewis: I am looking forward to businesses right across the UK and, yes, Northern Ireland businesses being able to benefit from the preferential tariff deals that we will have for the UK through those agreements with third party countries. Those negotiations are ongoing. It is only at the end of those negotiations that we will know exactly what the benefits are. As the Secretary of State for International Trade herself specifically outlined, and the Prime Minister outlined, we are looking to do a trade deal and we will only do these deals if they are in the best interests of the UK economy. That obviously directly means UK companies. That is where Northern Ireland businesses will have the opportunity to benefit, as part of the UK.

Q136 Claire Hanna: You will understand that obviously I am interested in the

impacts and benefits potentially to Northern Irish businesses. It says much that 180 pages outline what Australia and New Zealand will be seeking and you are unable to identify any sectors in Northern Ireland that would benefit from those arrangements. Do you acknowledge that the need for SPS checks at ports would be significantly reduced if there was dynamic alignment on SPS and animal welfare with the EU, particularly in the context of demonstrable public demand for high food standards and animal welfare standards?

Michael Gove: We have higher animal welfare standards in the UK than in the EU.

Q137 **Claire Hanna:** Do you acknowledge that there is nothing in the EU rules that says you cannot exceed that? There is nothing to prevent you having dynamic alignment with EU rules, which would prevent the need for checks. If you want to go over and above that, you can do so, but do you acknowledge there is no reason that you cannot have dynamic alignment and then build on top of that?

Michael Gove: Dynamic alignment would mean subjecting ourselves, across the United Kingdom, to following rules that we have no say in shaping. The whole point is that people across the United Kingdom voted to be rule makers, not rule takers.

Q138 **Claire Hanna:** You have indicated that your standards are higher, so you can go over and above those rules. Following those rules, or aligning with them, even if you want to go one better, would minimise the need for checks. There does not appear to be any reason why you cannot do that.

Michael Gove: To be fair, checks of the kind that you mention would only be minimised were it to be the case that we did not just follow EU rules but that we also allowed ECJ supervision of those rules. The EU has always been clear that the single market is an ecosystem. It is not simply the case that, if you happen to say, "We follow the rules", you secure access to the EU's market. It is also the case that the enforcement mechanisms of the Commission and the ECJ have to be part of that as well. You can of course secure the benefits of being inside the EU's single market, but you also have to bear the responsibilities and obligations.

Q139 **Claire Hanna:** The reality is that the space for any deal, and I am not somebody who believes it is possible, is in and around the arena of dynamic alignment. I am making the point that, if you say you want to go better than those rules, there is no reason that you cannot align. I want to pick up on some of the questions Stephen Farry asked you about the infrastructure and the institutional preparedness. HMRC has indicated that the system for reimbursing tariffs is not going to be up and running. Is that still the case?

Michael Gove: It is the case, as I mentioned earlier, that tariffs will not be payable for goods that remain circulating within the United Kingdom. It is also the case that we want to make sure that, in the event of there

not being a free trade agreement of whatever kind with the EU, we are in a position to indemnify and reimburse companies for tariffs.

Q140 **Claire Hanna:** Will that require secondary legislation? If so, when can people anticipate that?

Michael Gove: One of the things I mentioned earlier, I think partly in response to Gregory's question, is that we will be bringing forward appropriate legislation to ensure that every aspect of the protocol that needs to be legislated for can be underpinned by UK legislation.

Q141 Claire Hanna: When will that be?

Michael Gove: We will obviously make sure that we legislate, if required, before the end of the year.

Q142 **Claire Hanna:** Mr Farry has picked up on all the issues around the capacity that will be needed at Belfast and Larne. You will be aware that an assessment by the Northern Ireland Civil Service registered the risk as red/amber that that will not be ready. Do you have a different assessment around the preparedness for those checks?

Michael Gove: The whole point of red/amber or the broader RAG rating within Government is to say, "More requires to be done and at pace". Red/amber does not mean that something will not happen. It simply means that it requires attention to ensure it will, and we agree.

Q143 **Claire Hanna:** What is the status of the aim to have 50,000 customs operatives recruited and trained? Is that on target?

Michael Gove: This was a figure that a number of people in the sector used as a broad estimate. As I think the Committee will know, it is the case that the week before last we announced additional funding for customs intermediaries to help business secure the support that it needed, in order to deal with life outside the customs union overall. It is the case, as the Committee referenced earlier, that we said there would be a pragmatic approach towards the implementation of some of our own UK controls. Business broadly welcomed that. Of course, if more is required to ensure that intermediaries and others are in place, the Government stand ready.

Q144 **Claire Hanna:** I would probably put that at red/amber as well. I do not know why I am going to have a go, where nobody else has managed to get clarity, about the assertion that there will not be any administrative requirements from your end. We understand what Michel Barnier has indicated as regards to goods exiting Northern Ireland and potentially transitioning through Northern Ireland. Is that a red line for the UK, given that it could have impacts for the free trade arrangement?

Michael Gove: I am tempted to say it is a red/amber line. The more important thing to say is that there is no need for exit summary declarations to safeguard or protect the EU single market. While I have enormous respect for Michel Barnier, it is not the case that he is involved

in the administration of the steps required in order to implement the protocol. He is the Commissioner negotiating on the relationship. The supervision of the protocol falls within the withdrawal agreement joint committee and is therefore Vice-President Šefčovič's lead.

Q145 **Chair:** Ministers, we are approaching the last quarter of an hour of our session. May I ask how many customs operatives have actually been recruited, what is the target and when you think you will meet it?

Michael Gove: By customs operatives, do you mean staff of Border Force, HMRC, or people working for freight forwarders and people in the private sector?

Q146 **Chair:** It is anybody who will be required by Her Majesty's Government to inspect, police, enforce and implement whatever it is that is agreed.

Michael Gove: If you are talking about civil servants, it is the case that there has been an increase in the number of people who are employed by Border Force overall. I cannot recall the exact figures at the moment. Across the United Kingdom, their role in making sure we can effectively deal with the integrity and security of our border is central. Brandon may be able to report by how much Border Force overall has increased.

Brandon Lewis: To be fair, in terms of Border Force, that is a question for the Home Office. From memory, from my previous role, Border Force had recruited I think about 1,500 extra staff to deal with UK borders as we leave the European Union. That is for the whole of the UK and all Border Force's activity.

Q147 **Chair:** Let us park that and perhaps we could have a joint note about the numbers that would be required to implement, police and enforce with regards to GB-Northern Ireland and back, disaggregated as far as that. Are you happy to provide that note?

Brandon Lewis: I can provide you a note, but of course goods going from GB to Northern Ireland are not leaving the UK and therefore will not be going through UK border checks in the sense of the Border Force. It is a different thing. I will get you a note so you have the details.

Q148 **Chair:** You know what we are after. We are after some idea as to the headcount that will be required, wherever it is that they may be located, in order to implement whatever it is that is to be agreed that needs to be policed and enforced. Do you get that?

Michael Gove: I do not fully, but I know that we will be able to, not just through correspondence but through clarification, give you all the information you want. I am not clear from the question whether you are referring to people who will be there to make sure that all businesses across the UK, including in Northern Ireland, can deal with all the challenges and opportunities of life outside the customs union, or if you are referring specially to people who are there to help operationalise the protocol, some of whom will be doing other things as well as being

involved in making sure the protocol works. We will do our best to provide you with all the information you require. Indeed, it may well be that you will have further questions about the first cut of the information that we provide to you in order to provide clarity, and we will do that.

Q149 **Chair:** All and both would be most welcome. Can I seek some assurance? It speaks to a point that Claire Hanna raised in an earlier question to you about the Australia and New Zealand free trade talks. Both sides of the table in any trade negotiation are going to want the best for their people, their businesses and their country, and nobody is going to envisage the worst. We all know that these talks are give and take. Would it be the Treasury? Would it be CDL and the Cabinet Office? Would it be the Department for International Trade? Who would do a running total, as these free trade agreements mount up, as to the negative impact of one with the States, one with Australia, one with New Zealand, on, let us say, an economy such as Northern Ireland? The negative impact might be 1% from one trade deal and 3% from another. Who would say, "The sustainability figure is X and we cannot go over that without damaging NI plc"?

Michael Gove: I understand the question, but I also reject the premise. It is the case that, if one were to have a programme of immediate and full agricultural liberalisation, as some in Australia and New Zealand would argue for, that would have impacts that can be potentially modelled, but that is not what is going to happen. Second, there are opportunities for Northern Ireland and every part of the UK's economy to benefit from freer trade overall. Forgive me, as a former Defra Secretary, for saying this. Within that, even though we believe in free trade, we believe in free trade consistent with maintaining high environmental standards and protections for animal welfare.

To the broader question, as we look at the free trade agreements into which we enter and the judgment about the impact overall on our economy, ultimately, HMT is in the lead on that, but of course it is the Department for International Trade that conducts the negotiations. Oversight of the Department for International Trade's work in this is conducted by the Cabinet's XS committee, which the Prime Minister chairs and on which the Chancellor sits.

Q150 **Mr Campbell:** This question is to Mr Gove, and to the Secretary of State as well, but primarily to the Chancellor. We have talked a lot about the problems, issues and some of the difficulties and complications. To look to a more positive outlook as we come towards the end, has any thought been given to the many benefits that we have heard that hopefully will accrue from leaving the EU? Has thought been given to how Northern Ireland could benefit specifically from that, for example free port status, the enterprise zone in my own constituency in Coleraine and other areas?

Northern Ireland is a region of the UK outwith the south-east of England, which is the engine of the United Kingdom, particularly in the financial sector. What thought and what programmes are being put in place to try

to ensure benefits will be accrued to regions like Northern Ireland, so we can offset some of the negativity that we have all practically heard of and encountered over the past six months?

Michael Gove: Both the Secretary of State and I, and indeed the Prime Minister, the Chancellor and others, are constantly thinking about how all parts of the United Kingdom can benefit from life outside the EU. We are thinking about how we secure access for our high-quality produce into the American market. At the moment, not a single pound of lamb or other sheep meat can be sold into the US. We can break that restriction if we secure the right type of free trade agreement. As everyone on the Committee would know, it is also the case that, in everything from high-quality Bushmills whisky, to manufacturing excellence in Northern Ireland in Bombardier and elsewhere, to the diagnostic pioneers in Randox, to the excellence of the innovation around the University of Ulster and Queen's Belfast, there are huge opportunities for Northern Ireland.

It is also the case that, whether it is Republican or Democrat, politicians in the United States recognise the vital importance of supporting Northern Ireland on the journey that it has undertaken over the last 22 years. I believe there will be a significant desire to make sure Northern Ireland benefits as well. It should also be clear that, notwithstanding the points Claire made earlier, Australia and New Zealand want to have a fruitful economic relationship with the whole of the UK. They also recognise that Northern Ireland's position in the UK is one that is not just secure but is built on the enterprise, excellence and energy of Northern Ireland's people and businesses.

Finally, we have all seen in the course of the last few years the way in which Belfast in particular and Northern Ireland overall has managed to market itself to the world, thanks to the entrepreneurialism of its people but also thanks to strong civic and political leadership. There are huge opportunities for a part of the United Kingdom as beautiful, productive and cherished as Northern Ireland is.

Brandon Lewis: I can only endorse what the Chancellor has just outlined. One thing I have seen consistently in the period that I have been fortunate enough to hold this office is businesses across Northern Ireland, whether it is Bushmills, which I visited, people at Armstrong Medical and the work they are doing, or what we are seeing in cybersecurity through Queen's and businesses around Belfast. It is becoming a world leader particularly for some very major US companies. There are huge opportunities there. The promotion of Northern Ireland that we have seen through the creative arts has huge benefits. The command paper itself also makes clear that we remain committed as a Government to the new deal for Northern Ireland. We will be setting out the details of that in due course. There are huge opportunities there. As we come out of the EU, not just inward investment but their own ability to export around the world is one of the benefits Northern Ireland businesses can look forward to.

Q151 **Stephen Farry:** I have a quick question on the all-island economy. As you know, the protocol only covers goods but we have an integrated all-island economy around services, things like accountants and lawyers, on a north-south basis. We depend upon things like mutual recognition of qualifications and data transfers. Can the Government commit to looking at the service integration on the island of Ireland, particularly in the context of no deal, where there could be a risk of a major disjoint?

Michael Gove: Yes, that is why a free trade agreement, with appropriate provisions for the mutual recognition of qualifications alongside it, is in all our interests.

Q152 **Chair:** Yes or no from both of you: would a no-deal exit still be a failure of statecraft?

Michael Gove: It cannot happen, because we have a withdrawal agreement and therefore we are not leaving the EU without a deal. We concluded a deal.

Q153 **Chair:** I think you knew what I meant, Chancellor. Is that a yes or a no? Is a free trade deal a failure of statecraft?

Michael Gove: A free trade deal would be better than not having one, but that is all I would say.

Q154 **Chair:** You are not necessarily echoing the words of the Prime Minister, whose words they were, that leaving without a deal would be a failure of statecraft.

Brandon Lewis: Knowing the negotiating skills of our brilliant team, as well as the Prime Minister, the CDL himself and the joint committee work, I am absolutely confident we will have great statesmanship that will get us a good free trade deal.

Chair: Secretary of State, having known the Chancellor of the Duchy of Lancaster for 31 years, I need no persuading as to his brilliance at all manner of things. I have every faith in Michael delivering what it is that we need to do.

Ministers, thank you very much indeed for joining us. It has been incredibly useful for our Committee and our inquiry. You have made a commitment to respond to a couple of questions in writing. We will make sure our clerks touch base with your private offices on that. Thank you for taking the time, both of you, to join us in what I know is an incredibly busy time for senior Ministers. Thank you to members of the Committee for making this such a success.