

Northern Ireland Affairs Committee

Oral evidence: [The land border between Northern Ireland and Ireland](#), HC 329

Wednesday 29 November 2017

Ordered by the House of Commons to be published on 29 November 2017.

[Watch the meeting](#)

Members present: Dr Andrew Murrison (Chair); Mr Gregory Campbell; Maria Caulfield; Mr Stephen Hepburn; Lady Hermon; Kate Hoey; Conor McGinn; Nigel Mills; Jim Shannon; Bob Stewart.

Questions 177 - 275

Witnesses

[I:](#) Chloe Smith MP, Parliamentary Under-Secretary of State, Northern Ireland Office, and Mr Robin Walker MP, Parliamentary Under-Secretary of State, Department for Exiting the European Union.

Examination of witnesses

Witnesses: Chloe Smith MP and Mr Robin Walker MP.

Q177 **Chair:** Ministers, welcome. It is a great pleasure to see you here. Thank you for taking time out of your busy schedules to better inform the deliberations of our Committee. Clearly we are somewhat obsessed with the Irish land border at the moment and it is front and centre of the Brexit negotiations. It is something we absolutely have to get right. What I would like to do, if I may, is to hand the floor over to you for a brief synopsis of where you see us being at the moment.

Chloe Smith: Thank you. We will do this jointly, of course. It is a pleasure to both be in front of your Committee. We hope that we can between us answer your questions and give you a good discussion around the issues. For myself, Dr Murrison, I am delighted to be here for the first time in front of this Committee. We look forward to discussing the extremely important issues around the land border between Northern Ireland and Ireland. The first thing that I would like to say is that we all—the UK Government, the EU and Ireland—recognise the critical importance of getting this right. That collective will to see no hard border and no new physical infrastructure on the border means that we share a strong desire needed to find the solutions to the unique circumstances that are presented by this being the only land border with the EU.

We have been making progress and are making progress through the negotiations across all of the issues that we are still addressing. In relation to the border, the Irish Government and we continue to talk about the solutions for that. We all want to ensure that the movement of people and trade across that border can carry on as now, and that we do not create any new barriers to trade with the movement of people across the border. That is the outcome we have all agreed upon and that we all believe is in the best interests of Northern Ireland.

The Committee will of course appreciate that we are in a rather delicate stage of the negotiations with the EU and in the lead up to the December European Council, and perhaps Robin will cover a little more about that as we go on. Additionally, the talks in Belfast at the Stormont Assembly are at a delicate stage. I would be very happy to cover that should the Committee want to, although it is not directly the material of your inquiry today. The positions across, therefore, those different sets of negotiations and talk do somewhat constrain the depth that we can go into today. I do hope the Committee will understand the Government's position there, but I would like to place on record our desire to see a fully functioning Executive restored in Belfast, and once, we hope, those stages are resolved, we would be delighted to be back in front of the Committee to discuss those further. I should say "I"; I am sure Robin would not wish to come back to the Committee to discuss those further.



HOUSE OF COMMONS

I will pause there and allow Robin to take up some of the issues.

Mr Walker: Thanks, Chloe, and thanks, Dr Murrison, for having us here today. Within the Department for Exiting the European Union, I work very closely with David Davis, the Secretary of State, on devolution matters, including Northern Ireland. I joined him on his first visit to Northern Ireland and have been back a couple of times myself. I also joined him on his first visit to any EU member state, which was the Republic of Ireland. As Northern Ireland and Ireland issues are such a key priority, DExEU and the Northern Ireland Office have been working very closely together so far throughout negotiations, and this will continue into the next phase.

As Chloe said, I must emphasise that the Northern Ireland and Ireland strand is a critical part of the first phase of the negotiations. We are committed to ensuring that there is no physical infrastructure at the land border, and all sides are resolved to find flexible and imaginative solutions to these complex issues. In the negotiations so far, we have had constructive discussions and made some good progress. We have agreed to joint principles on the continuation of the common travel area and associated rights. Both sides have agreed that the Good Friday agreement citizenship rights must be upheld. We are working together on how that commitment can best be codified. The joint work on preserving the North/South co-operation is moving along at pace and we are drafting joint principles and commitments that will guide the solutions to draw up in the second phase of the talks.

As Chloe said, we are at a sensitive stage right now with particular focus on drafting the principles and parameters that will apply to solutions for the land border in particular. We continue to work closely with both the Irish Government and the European Commission on that critical issue.

Q178 **Chair:** Thank you. That is very concise. On 24 October, in evidence to the Scottish Affairs Select Committee, the Secretary of State for Scotland suggested very strongly that there had been a Brexit impact assessment in respect of Scotland produced. Was he correct?

Mr Walker: I think what the Secretary of State for Scotland was referring to was the sectoral analysis that does indeed cover impacts on the different parts of the United Kingdom. As far as I am aware, there is no individualised impact assessment on Scotland.

Q179 **Chair:** So he was wrong to suggest that there was.

Mr Walker: I think what he was referring to, as I say, was the sectoral analysis and the fact that that looks at specific sectoral issues in each of the parts of the United Kingdom, but I do not think that there are individual reports, certainly not that our Department has been involved with.

Q180 **Chair:** Can we take it from that, therefore, that there has been no Northern Ireland Brexit impact assessment?



HOUSE OF COMMONS

Mr Walker: Not conducted by the Government. What the Government have done is to look across the United Kingdom at sectors and to prepare analysis on that basis. As you know, that is analysis we have shared with the Northern Ireland Select Committee and we are making arrangements for that to be made available to other Members of the House in a reading room. That is sectoral based. It is not an economic impact assessment, as some people have suggested it is, but it is across the whole of the United Kingdom rather than based on specific parts.

Q181 **Chair:** On 18 October, Sir Jonathan Stephens in evidence to this Committee said, "We undertake a range of contingency plans, of course". That is to say contingency plans around Brexit so far as it relates to Northern Ireland. I am left wondering how you can plan for contingencies if we have not done an impact assessment. For clarification, I am thinking particularly in the context of Northern Ireland, given that Northern Ireland, of all the home nations, is right at the front line of whatever falls out of Brexit.

Mr Walker: The Government obviously has a responsibility to prepare for contingencies. Within the Department, my colleague, Steve Baker, leads on that work within the Department. That work is going on with every Government Department to ensure that we are properly prepared. That is about the steps that need to be taken in the event of a contingency scenario. Of course, our central scenario is one in which we do achieve a deal in partnership with the European Union. That is what will best enable us to deliver the best outcome for the whole of the United Kingdom.

Q182 **Chair:** Mr Walker, yesterday in the House you referred to the sectoral impact assessments and you said they had been sent to two Select Committees of Parliament, plus the devolved Administrations. Northern Ireland suffers, of course, from not having a devolved Administration, which I am afraid contributes to the democratic deficit that is particularly acute given what I have just said about Northern Ireland being right at the front line of Brexit. Can you tell me to whom the Northern Ireland material was sent, as it clearly was not sent to the Administration?

Mr Walker: The same material has been sent to all of the devolved Administrations. The process for doing that is to share it with the Permanent Secretaries of those. It has been shared with the Northern Ireland Civil Service. Obviously, I share your view that it would be much better if there were a power-sharing Executive in place and an Administration that was able to scrutinise and respond to that material.

Q183 **Chair:** To be clear, in Wales and Scotland, that material has simply been shared with officials. Would that be right?

Mr Walker: That is the process for sharing it by Government: that it would be shared to the leading officials in the Administrations. It is then for them to discuss it with their Ministers.

Q184 **Chair:** That is the point. There is going to be no political oversight or



HOUSE OF COMMONS

input into that material in Northern Ireland, whereas there will be in Wales and Scotland.

Mr Walker: That is my understanding. I share your view that it would be better if there was a power-sharing Administration there to respond to it.

Q185 **Chair:** How do you think that democratic deficit can be stocked up or mitigated?

Mr Walker: We have to do everything we can as a Department and a Government to engage with Northern Ireland, all communities and the concerns of people there. There is no replacement for a directly accountable Assembly and Government there. We all want to see the power-sharing arrangements brought back into place. Chloe can probably expand on that.

Chloe Smith: I echo Robin's point there, and indeed the Committee's desire to see the Executive in place to do exactly that. It is also very helpful that your Committee itself is beginning to look, as an inquiry, into that democratic deficit. That will be positive, as is your exchange of letters with the Secretary of State, Chair, around the needs of the border communities and the need for them to be able to get good information about what is happening and to be able to speak to democratic representatives about what is happening. In the absence of an Assembly and an Executive, the Northern Ireland Office is endeavouring to do as much of that as we possibly can. Again, all of that is good material for the Committee to be looking at, and I am glad you are doing so, because that will help with the democratic deficit itself somewhat.

Q186 **Chair:** Has the Northern Ireland Office itself had any input into the 850-page document that was referred to yesterday?

Chloe Smith: My officials are certainly working closely with DExEU, as we would across Government on any such work. Yes, we have had involvement with that work.

Q187 **Chair:** In that case, given the remit of this Committee, do you think it would be appropriate to share that document with this Committee, thus assisting to mitigate the lack of democratic oversight of the material in respect of Northern Ireland, which does not apply to Wales or Scotland?

Chloe Smith: I will defer to Robin on that.

Mr Walker: As I mentioned yesterday in the answer to the Urgent Question, we are making arrangements with the House authorities so that that information can be put into a reading room so that all Members of the House of Commons will have access to it. It particularly makes sense from the perspective of the Select Committees with a specific interest in this area. We have heard from a number of Select Committees that are interested in doing this. Clearly our first priority was to meet the motion of the House that required the information to be produced to the Exiting the European Union Committee. That now has



been done, but we do want to ensure that the other Select Committees with a key interest in this—and I recognise that this is absolutely one of them—will have access to that material. That is why we have reached out to the House authorities to make those arrangements. Those discussions are underway. I cannot yet give you the full detail of how that will work but the objective will be to have a confidential reading room in which people can access the material but not take it out with them.

Q188 **Chair:** Can you give me a timeframe with that?

Mr Walker: Not yet, but I am very happy to write back as soon as we have the detail of that agreed with the House authorities.

Q189 **Bob Stewart:** I operated a hard border crossing point for two years in Northern Ireland, and it was hard. In fact, it was attacked. We are hoping like hell it is nothing like that, so we want to go to the far end of the spectrum—the other end of the spectrum. Our Committee has looked at a border between Switzerland and France, and Switzerland and Germany. I think I can speak for us when I say that is a bit too bureaucratic for what we really want.

One way of doing it is to say that on the Northern Ireland side of the border, there will be nothing at the border and the EU can put up what borders they want, but we are not having any borders on our side. The model that seems to be coming that is possible is that there is very little infrastructure, if any, on the border, beyond the fact you are crossing into another country, surveillance cameras at various key points, and there is documentation for import. The one thing, even at a very bureaucratic border that we saw last week—a very important border, at Basel, between Germany and Switzerland, and France and Switzerland—the cars were moving through. They were going straight through. They were not being stopped. One or two might have been stopped but fundamentally they were not being stopped. That is what we want.

We do want long lines at the border like a hard border. The lorries were all having to stop and take paperwork in. Personally, I think it would be a real sadness if we had to get to that. We have to somehow find a system like that. The Prime Minister has said that she does not want any infrastructure there, so assumption one, as you work out the border, is, I presume, for there to be nothing on the border. Is that correct?

Mr Walker: Yes.

Q190 **Bob Stewart:** That is what you are planning.

Mr Walker: In short, yes, because what we said is no physical infrastructure at the border. Your point about your own experience with regard to checkpoints and how difficult that was is a very valid one. Everyone knows that that is not an attractive place to be, both for the Republic of Ireland and Northern Ireland. The Government absolutely recognise that we want to ensure that there is no return to those borders



HOUSE OF COMMONS

of the past. We have gone beyond that in saying we do not believe there should be physical infrastructure at the border.

Your point about the Swiss border is an interesting one. There are some solutions there with regard to technological solutions and authorised economic operators that are helpful, but they are not sufficient. What we need to ensure is that we look at all the arrangements that can be put in place, whether they are technological, whether they are unilateral on our part, or whether they are through arrangement between the UK and EU and agreement between us on the arrangements, to make sure that we can preserve the total free movement across the border that currently exists today.

Q191 Bob Stewart: I am sorry to keep on, but I am only trying to expand the point. Something else we have not discussed is intelligence. What the Swiss had, with the appropriate authorities in Germany and in France, was damn good intelligence. I am assuming that as part of the border, in terms of what sort of system we have there, you are trying to set up a system with the Garda and the Police Service of Northern Ireland, the customs on both sides, and the intelligence services as part of the system. As you are nodding, Chloe, I am taking the answer to my question to be, "Yes, we are".

Chloe Smith: Yes, certainly we are. One thing the Committee can almost take as read, though they may want to go into it, is the level of co-operation we currently have between the agencies you have just listed off there, quite rightly, particularly cross-border. It really is worth stopping to consider the extent of the co-operation between the Garda and the PSNI. That should absolutely continue and it reminds us of the special circumstances that do apply here. The unique history of Northern Ireland and what that means today is that we need to be able to continue such co-operation and continue it very well.

Q192 Bob Stewart: What came from our visit too is that they had a kind of flying squad. The Swiss had a flying squad of border guards that had car, did travel. They would whizz around both sides of the border and stop people occasionally. That is what they did. That seems to me something that we could possibly think about. Are you thinking along those sorts of lines? That is not to say that the Police Service of Northern Ireland have rights to go into the Republic. They actually had liaison officers, did they not, Chairman? They had liaison officers with the flying squads. Do you remember flying squads?

Chair: Yes.

Bob Stewart: They had liaison officers on the French and German side. They had a Swiss liaison officers that who linked straight into their intelligence organisation. That would be discreet. What we want is discretion and a discreet crossing point that people hardly notice, and most normal people do not notice. That is what the Committee would like. We still have a security dimension but we are operating it. It works



now, so it could work like that. Am I on the right track?

Chloe Smith: Mr Stewart, you are, but with our own background you will recognise that we would not get into specific operational proposals for how the security services would operate around the border but broadly we do want that kind of co-operation.

Q193 **Bob Stewart:** No, I understand that. We want to establish the principle that on our side we do not have physical infrastructure at the border, if we can avoid it, beyond a sign. That would be good. Surveillance is done in depth, as it were, further back and by intelligence and by police officers or the like having the ability to check out things. That seems to me to be a good way ahead. If the European Union wants to put up barricades, so be it. It is up to them.

Mr Walker: As you say, it is sensible. That is why we have made the commitment to no physical infrastructure, but of course we would like to reach an arrangement with the European Union that ensures that there is no need for queues on either side of the border, because once you have any form of physical infrastructure and a stop, that will affect people on both sides, no matter which side is putting it up. I would emphasise the importance here of us engaging constructively to try to ensure arrangements are in place.

Q194 **Ian Paisley:** There is already NPR—number plate recognition—on the border; is that not correct? People talk about the border as though there is nothing on it. There already is, first, a border, legally and constitutionally, and, secondly, there is an infrastructure, number plate recognition, on the border. Am I correct? Maybe you do not want to talk about the details.

Chloe Smith: Sorry, I was waiting. Does the Chairman want to guide how the questions are coming?

Ian Paisley: People talk about this in terms of the border. There is an infrastructure on the border.

Chair: The invitation is to talk about what there is at the moment and, in particular, the presence of number plate recognition. What we will do is come back to that when we come to your question. I am sure that will give Ministers some time to think about that. The point is well made that we are not creating a new border; there is a border there already with all sorts of checks and balances, plus probably—and I will be very happy to have your comment when it comes to Mr Paisley's question—some level of infrastructure, albeit minimal. The point that we are not starting today is a point well made.

Q195 **Mr Campbell:** Welcome to the Committee. One of the first things I wanted to ask is that there was some publicity around the visit by Michel Barnier and some of the European side to a border location. I understand Mrs Smith's perspective from the NIO, but has anyone from your Department visited the border, Mr Walker?



Mr Walker: Yes, I have.

Q196 **Mr Campbell:** That is good, because there is some indication that people have not visited the border. On the European visit, it did seem to surround a high-profile media visit around a main road near Dundalk. Given that there are estimated to be 300 crossing points—that is main roads, minor roads, lanes and fields, with all sorts of accessibility—is it your opinion that the EU understands the difficulty of trying to put some sort of infrastructure in place if agreement is not reached?

Mr Walker: Yes, I think they do. You mention Michel Barnier. He has personal experience of dealing with the peace process and dealing with Ireland and Northern Ireland, which means he is a well-informed interlocutor on these issues. It has also been clear that there has been a learning process amongst some of the member states and amongst some people at the European institutions about this. Their level of understanding has improved over time and the practicalities of the issues of this, in terms of the issues you mentioned on the complexity of the border and the number of crossing points, has become a better understood aspect of it over the time in which we have been negotiating.

Q197 **Mr Campbell:** I get the impression that there is not an entire understanding of the difficulty on the EU side. It seems to be accepted now that the common travel area, in terms of people crossing, is a done deal. It has been there long before the EU and hopefully will continue. There is no reason why it should not. In terms of goods and services crossing between the Northern Ireland and the Republic, and vice versa, if there is a concern in the EU, whether it is a customs concern or whatever it is, it seems to me that if there are 300 loopholes, and there is a suggestion from them or anyone else that you have six or 10 bungs to try to close up those 300 loopholes, it is not going to be very effective. It may be very costly. It may implement quite a number of employees but it is not going to work. Is there an understanding on the EU side that if there are structures in place, they may be costly but they will be totally and utterly ineffective?

Mr Walker: From my experience with the engagements that I have had on the EU side, as I say, that understanding has varied depending on who we have been speaking to. It is very important that we continue to communicate the messages about the complexity of the border and the importance of free movement, not only of people but also of goods, because we recognise that, particularly for the food and farming sector in Northern Ireland and the Republic of Ireland, these are very important interconnections that exist. We have to work constantly to build that understanding and ensure that. I agree with you that fundamentally putting a limited number of blocks in place on a limited number of crossings would not do anything to address the border issue. It is much better to have the agreement between us that there will not be physical infrastructure at the border and to allow the seamless approach that existed there to continue.



Chloe Smith: Robin is absolutely right to say that this really rests on the agreement that we would all wish to get out of this. To pick up on something Bob referred to in his question, on the economic impact of this, the status of the border is part of people's everyday lives. We are talking about people being able to get across in the course of their working day, back again and however many times they wish to. It is absolutely a part of everyday life for individuals and businesses. We are particularly aware of the impact on small firms. That is why in our August paper we really focused on what we could do and propose to assist them. What we want to see is an agreement that encompasses that level of understanding and that level of support for people's everyday economic activity. Therefore, we think that all concerned want to see a border that would have no checks standing in the way of that.

Q198 **Kate Hoey:** For the purpose of those millions of people watching, would both of you like to define, in a simple way, what you mean by a hard border?

Mr Walker: I think Bob has made it—

Kate Hoey: I want it in a simple way.

Mr Walker: A hard border would be a border where people are stopped and where there is physical infrastructure that gets in the way of those everyday lives that Chloe has just been talking about. We want to ensure that is not what is in place. We want to ensure that people can go about their lives as they have in recent years.

Q199 **Kate Hoey:** Does that include cameras anywhere, or not having cameras? We live with cameras everywhere these days.

Mr Walker: We are not talking about removing any infrastructure that might be in place today but we are certainly not talking about adding any additional physical infrastructure to the border.

Q200 **Kate Hoey:** Do you think it is helpful that particularly those within the EU and the Irish Government keep talking about and putting together the peace process and the discussion about how we are going to deal with the border after we leave the EU?

Mr Walker: The Irish Government have made a very useful case to other members of the European Union and to the European institutions that this is a hugely important issue to address as a result partly of the peace process. That has not been harmful in any way at all; that has been a positive thing to see reflected from the European side. What we need to ensure, though, is that there is an understanding. We all have the same objectives in this process, and the same end goals in mind, but the route and means to achieve those objectives is through a successful negotiation around the whole relationship between the UK and the EU. That is what we are very keen to emphasise. We want to make as much progress as we can on this issue in this first phase of negotiations. We have set out



very clearly aligned objectives in that respect, but the whole solution relates to the whole relationship between the UK and the EU.

Chloe Smith: To echo something that James Brokenshire, the Secretary of State, said in a recent speech in Brussels, we do think it is helpful that the EU side is aware of the peace process and, as we have kept saying, the unique circumstances that gives rise to. James went so far as to say there is a lot that the EU can be proud of in the ways in which they have supported the region, through PEACE funding, for example. It would be helpful to stay aware of what we also need to do in this task, which is to uphold all of the principles of the Belfast agreement, which in itself grew out of the peace process. Yes, it is helpful to remain aware of the peace process and where that has brought us to today.

Q201 **Kate Hoey:** I presume the British Government are not implying that if we have some kind of border controls in some way—I am talking about cameras and all the kinds of things going on at the moment—this will somehow be a green light to dissidents and that should be a reason why we should not even think about doing things like that. Are we going to be threatened by dissidents? Is our whole economic policy and attitude to the EU going to be defined by a few dissidents who should be being tracked down and stopped?

Mr Walker: I do not think that is the driver of this. The driver of the approach we have taken to the border, as Chloe says, is really about allowing people to go about their lives as they have been. That is the key focus here. We all recognise the progress that has been made in the peace process, and the fact that the dissidents you talk about are a very small number of criminal people today. We all recognise that is a process that is ongoing. Of course it is important to preserve that and sticking to the principle of the Belfast Good Friday agreement is very important for all parties involved in this process, but the main driver of policy towards the border is about what is in the interests of Northern Ireland.

Q202 **Kate Hoey:** For the British Government, yes, the Good Friday agreement and the peace process is important, but the more important aspect is getting people to be able to move freely and trade to move freely across the border. Is that fair?

Mr Walker: It is about people's everyday lives in Northern Ireland being as little affected by this process in that respect as possible.

Chloe Smith: That also in itself is not only about trade. It is about other elements of people's everyday lives. For example, there is co-operation in terms of the health services either side of the border.

Q203 **Kate Hoey:** After we leave the European Union, has there been discussion about the EU permitting Ireland to grant more favourable citizens' rights to UK nationals who are going to be living in Ireland than it does to EU nationals? Has that been discussed at all?



Mr Walker: We have discussed preserving the existing associated rights with the CTA on both sides. It is important, as Chloe just mentioned, that in terms of health and arrangements like that there are direct bilateral arrangements under the common travel area that allow for joint working on these issues to serve citizens. We were very clear in our citizens paper, when we published our citizens paper about the negotiation on citizens' rights with the EU as part of the withdrawal negotiations, that that was without prejudice to a position of Irish citizens in the UK, who are protected by separate domestic legislation. Certainly we want to ensure that those arrangements existed in both directions.

Q204 **Kate Hoey:** The EU, the Republic of Ireland Government and the British Government all say we want this to be solved in an amicable way. If the EU really wants it to be solved in an amicable way, surely they should be accepting that in the end there will have to be some slight differences in terms of how trade goes across between those two borders. That may not be what is happening in the rest of the EU. Would you agree with that?

Mr Walker: Michel Barnier himself has said that we cannot be driven by precedents in this case, and we have to recognise the unique circumstances that there. I agree that we need to make sure that both sides in this are recognising those unique circumstances and responding with flexible and imaginative solutions that pertain to those unique circumstances, rather than trying to rely on existing precedents.

Q205 **Kate Hoey:** Why has it become such a big issue that it is the most important issue that has to be solved before the EU allows us to move on to trade talks?

Mr Walker: There are a number of issues on which we are negotiating at the moment. Each of those are very important but this is clearly one that, when we look at the objectives that each side has set out, we are very well aligned; we ought to be able to move forward. The key challenge at this stage in the negotiations is sufficient progress. As I mentioned in my opening remarks, a good deal of progress has been made on this front, and we should be able to move forward as a result of that alignment in objectives.

Q206 **Chair:** Given that we have agreement on the common travel area and that there is already agreement on animal and plant health because there has to be because it is an island, what barriers do you think would exist and present a conundrum in terms of increasing infrastructure and checks on the border in the event that we do not have significant regulatory or tariff divergence from the European Union?

Mr Walker: As we have been making clear throughout the negotiations, the starting point, as a result of the approach we are taking in the withdrawal Bill, is going to be a high degree of convergence. It is then down to the future arrangements we put into place as to where there will be divergence and convergence in future. I come back to what Mr



Barnier has talked about in terms of the need for flexible and imaginative solutions and the need to make sure that we put the principle of avoiding a hard border very high on our list of priorities. There do not need to be barriers put up, so long as we take a sensible approach this and agree it sensibly. Chloe, do you want to add to that?

Chloe Smith: I am happy to echo that.

Q207 **Maria Caulfield:** I am impressed that Ministers are optimistic about solutions but that is not the feeling on the ground. When we went as a Committee to Newry, there was real fear there from the business community about what is going to happen. There is an acceptance that the common travel area will probably sort out the movement of people, but it is the movement of goods and services that is the real concern. While I hear the terms “flexible and imaginative” and “frictionless borders”, with just over a year to go now, we need some detail for businesses to be able to plan and for communities to be able to have reassurance that their lives are not going to drastically alter come March 2019.

What I think is unsettling for most people, and what we have not heard this morning, is any of the detail that is going to make that happen. It depends on the trade deal that is arranged at the end, but have the Government made plans to look at some of the things, like pre-customs clearance, that other countries use with their borders with the EU? Has detailed work been done on that?

Mr Walker: Yes. I draw your attention not just the Ireland-Northern Ireland report that we published but also our customs paper, which set out a number of solutions on that front, and two in particular. The first was a maximum facilitation approach and the other was a hybrid approach to the customs issues, which would make sure that there was the absolute minimum of barriers in place. It is important that we have proposed solutions on this. The challenge with the sequential approach to the negotiations that we are currently involved is that we have not been able to have a detailed discussion of those solutions yet in the negotiations.

I understand the concerns about that, but I also think it is important to stress in this respect—and again as we set out in our paper—the importance of the implementation period for both sides. We are very clear that it is in the interests of both sides to have an implementation period where there should not be any change and where we can ensure, therefore, that things can continue as normal. You talked about people’s concerns about March 2019. Clearly, if we can reach agreement on that and reach agreement on that rapidly, that will be to the benefit of communities living on both sides of the border, in knowing that there will be no change.

Maria Caulfield: There must be some detailed work going on behind the scenes in terms of setting up pre-customs clearances if that is a model



HOUSE OF COMMONS

that the UK Government is going to go towards. There must be work being done on cross-border trade exemption for farmers, for example, who are not necessarily going to be exporting to the wider world but just need to move their goods and services between the Republic of Ireland and Northern Ireland. There is some detailed basic stuff that we are not hearing the answers to that. For small-scale businesses, like farmers, if they are going to survive post 2019, on either side of the border, they need to have that information. It is great to have the intention and the aspiration but we need the details at this stage, because it is creating an uncertainty that could be easily cleared up. The Government just need to set out, "This is our proposal", and speak to communities there.

For things like IT infrastructure, without an Assembly there, who is going to set up an IT infrastructure if there are going to be security cameras inside the border rather than at the border itself? Who is going to be running these mobile vans with roaming border staff checking? Who is going to be doing the customs clearances? There is not that infrastructure there, so that needs to be set up. Without an Assembly, the UK Government are going to have to deliver on that for Northern Ireland, so we need that detail. To just say "a frictionless, flexible, imaginative solution" is just not good enough at this stage for the people in Northern Ireland.

Chloe Smith: There are a number of things that we can say to the Committee this morning on that front. The first is that we are absolutely with you in wanting to get those questions answered. The long list of questions you have put there is exactly right. That is absolutely what businesses and citizens want to know and it is the level of detail that we want to help them get to as soon as we can. Can we say that to you this morning? No, we cannot, and the Committee would probably recognise that we cannot, because this is in the subject of negotiations. This very week, and next week as well, are absolutely critical times in this. We are absolutely in the very days, right now, of trying to get that agreement that we all seek, that is in everybody's interest and that everybody—the UK Government, the Irish Government and the EU Commission—recognise that we want to get to. As soon as we are able to move into phase two, as Robin has said, we will be able to get closer to those questions and answers.

If I can give a little bit of detail in the meantime about how we are engaging with businesses until we can get to those fuller answers, to give one example, both Robin and I together were visiting a waste management company on the border not far from Newry. That is just one of many visits, discussions and meetings that we are holding, separately and together, to be able to help businesses get as much information as they need, and indeed to put their own questions in at this point. Many of them also have reflections on how it could be done. We are very keen to hear that; of course we are.

That is not just with businesses. We are also doing very much the same with others. I was speaking to a room full of teenagers, at an event



HOUSE OF COMMONS

organised by the NICCY, also in Newry, as it happens, which was a cross-border gathering. There are lots and lots of different ways in which we can be out there to try to meet that need for information but also hear what people want. What we also will do as the UK Government is of course make sure that our responsibilities are fulfilled in the coming time, whether that goes up to and into the implementation period that Robin has already referred to. For example, it would be for HMRC and the Treasury to do certain parts of the list you reeled off.

Your question might have dipped a toe into the water of the direct rule issue, which we do not wish to conduct. We want to see an Executive up and running so that they can conduct their responsibilities for themselves and their duties to public services in Northern Ireland, including some of the things in the list that you spoke about.

Q208 Maria Caulfield: To follow up on that, whether we heard from the Government of Gibraltar or whether we heard from Swiss border staff who gave evidence, they consistently said it was possible to have border checks but not necessarily to have those on the actual border itself, with new technology. Are there plans in place to do these customs checks, checks on movements or people or goods within Northern Ireland rather than at the border itself, because for historical and emotional reasons, the border itself is probably not the best place to be doing those checks?

Mr Walker: Yes. As you will know, there are existing excise differences between Northern Ireland and the Republic of Ireland. The stops and checks for that process take place away from the border. There are not just plans in place; there is a precedent there in terms of in the way these things can be dealt with.

Q209 Chair: The job of this Committee is to scrutinise the work of the Northern Ireland Office. There is a slight concern—and Maria Caulfield's question touched upon this—around a hope and aspiration for the Executive to be reformed, which we all share, but the possibility that it may not be. The responsibility then falls squarely on the Northern Ireland Office. Sir Jonathan Stephens, as I said in my earlier questioning, referred to contingency planning in evidence he gave to this Committee. We are not getting a sense of what that contingency planning is. That boils over into some of the evidence we have heard in Northern Ireland around pretty much being in the dark and a lack of communication, something I have written to James Brokenshire about following our visit to Newry, as it happens. What confidence can you give the Committee today that adequate contingency planning is underway against a range of scenarios, given the tight timeframe we are facing, and that appropriate budgetary allocations have been made against those various contingencies?

Chloe Smith: Thank you for the question, Dr Murrison, because you are absolutely right. This is what the Committee will want to go into not just today but over the coming weeks. From the perspective of the Northern Ireland Office Minister here today, we absolutely recognise your desire for that information. I cannot give you all of the information that you seek



HOUSE OF COMMONS

today, because, as I said in my opening statements, the Stormont talks are also continuing, in addition to the EU negotiations. I am not able to give you what some might call a running commentary today or in the coming weeks yet.

Q210 Chair: I am not asking for you to comment on the Stormont talks but one of your contingencies has to be that there will not be an Executive formed within the lifetime of these Brexit negotiations. My point is that you are then going to have to rely entirely on yourselves to put in place the range of contingency mitigation to which Sir Jonathan and others have referred to.

Chloe Smith: The Permanent Secretary was quite right, of course. We do conduct that planning, but the point still stands that I cannot share all the detail of that planning with you because of the sensitivity of the Stormont talks that are ongoing. If it were not possible for an Executive to be formed, the UK Government would absolutely fulfil their duties under the Belfast agreement. There is then all the detail to go into about how the three-stranded approach would allow for these issues you are talking about in relation to the border in this inquiry. I cannot go into more detail than that here today because the talks themselves are ongoing.

Q211 Chair: Can you say what discussion you have had with the Treasury to fund the various contingencies?

Chloe Smith: Yes, with reference to the Budget last week. The whole House would have seen that the Budget included additional funds to be able to plan for a range of scenarios across Government, and the Northern Ireland is certainly part of that. Yes, that work, planning and funding is ongoing.

Q212 Lady Hermon: Thank you both for coming today. Much of your evidence has focused on how to avoid a hard border, quite rightly. We are agreed that we have to at all costs avoid a hard border. At the same time, you will also note that your colleagues—senior colleagues—are preparing for a no-deal Brexit, which would be a disaster for Northern Ireland and the border. In the event of a no deal Brexit, how would you propose to avoid a hard border between Northern and the Republic of Ireland?

Mr Walker: The first thing to say is that is not the central scenario to which Government are working. We are very much focused on making a success of this negotiation and ensuring, for the whole of the United Kingdom, that there are arrangements with the EU that are to our mutual benefit. We set out our approach to that in our various papers.

You are right that there has to be contingency planning, and we have just been discussing some of the issues with regard to a budget towards that. The principles to which we are committed remain the same: that we are not going to be putting up infrastructure or creating blocks in this process. Clearly the best way of ensuring that that works from both sides is to reach an agreement on the arrangements that exist between



HOUSE OF COMMONS

us, but the UK will not do anything to harden the border between Northern Ireland and the Republic.

Q213 **Lady Hermon:** In the event that an agreement is not achieved between the British Government and the EU within the timeframe, and that we leave and fall out of the EU without an agreement, you are going to guarantee to the border communities, the people of Northern Ireland and the Republic of Ireland that there will be no hard border if we do not have a deal.

Mr Walker: I do not want to answer hypothetical questions.

Q214 **Lady Hermon:** I am sorry. I have to interrupt you. You did say that in fact there has been some contingency planning around this, and you know perfectly well that there are a number of senior Government Ministers who have said that they are prepared for a no-deal Brexit and seem quite comfortable about that. I am not comfortable about it. I need you to spell out to the people, particularly in Northern Ireland and the Republic of Ireland, what will happen in the event of a no-deal Brexit.

Mr Walker: My Department is focused on the negotiations that are ongoing in order to get a deal between ourselves and the European Union that we think is profoundly in the interests of both sides in the negotiation, and particularly in the interests of both Northern Ireland and the Republic of Ireland. That is our central scenario.

What I have said and I reiterate is that the UK would not under any circumstances want to take steps to harden that border and interrupt people's daily lives, so we will make sure that we are doing everything in our power to make sure people's daily lives continue and our commitments under the Belfast agreement are met. Whatever contingency planning the Government undertake will absolutely have those principles in mind

Q215 **Chair:** It rather comes back to the point I made earlier, does it not? The point at which gantries, checkpoints and all the rest of it reappear is the point at which we have regulatory and tariff divergence. I asserted—and I think you agree—that given the common travel area and various regulations that have to exist come what may, around animal and plant health and all the rest it, given that we are dealing with an island, there does not seem on the face of it to be a need for infrastructure at that border until such time as you have to check goods and services. Would that be your reading of the situation too?

Mr Walker: I have always said that the common travel area is necessary but not sufficient. We need to make sure that we agree on other issues as we go forward in order to resolve all of this. It also comes back to the intent. There is no intent from the UK to put up barriers at the border.

Q216 **Lady Hermon:** In other words, you are in the same camp, if I may suggest to you, as the Home Secretary who when asked about a no-deal Brexit said it was unthinkable. Is a no-deal Brexit unthinkable? At least



HOUSE OF COMMONS

Chloe is nodding with me. Thank you.

Mr Walker: A deal here is hugely in the interest of every part of the United Kingdom and of the EU as well, because they will want to be good neighbours as, in fact, their treaties require them to be. However, it is important that we have to do the work within Government to prepare for all contingencies.

Q217 **Lady Hermon:** Are we preparing for no deal in terms of the border in Northern Ireland? Is there a contingency plan?

Mr Walker: Of course there is contingency planning going on across the whole of Government. My Department co-ordinates that. My colleague, Steve Baker, co-ordinates that with other Departments. Our central scenario is that we do work towards a deal here. We think a deal here would be beneficial. We have set out in our paper why we believe that is in the interests not only of Northern Ireland but also the whole of the UK, the Republic of Ireland and the European Union. We want to achieve arrangements that allow people to go about their daily lives as they do today. We will take the steps to ensure that the UK is doing nothing to put up barriers in this respect.

Q218 **Lady Hermon:** I think we perhaps need to see your colleague, Steve Baker, to discuss in detail the contingency plan.

In the meantime, if I may move on, you will be aware that a Conservative MEP has suggested in recent days that it would perhaps be appropriate that the people of Northern Ireland should have a referendum on whether the people of Northern Ireland wish to remain within the single market and the customs union. Is that a possibility being entertained by the British Government?

Mr Walker: The UK held a referendum. The UK as a whole had that referendum. It was very clear that that was across the whole of the UK and the decision was taken across the whole of the UK. We will be exiting the European Union as one United Kingdom.

Q219 **Lady Hermon:** Has your colleague, your party colleague—I emphasised he was a Conservative MEP—been spoken to?

Chloe Smith: I think he only made the comments last night so it is not clear whether he has or has not been spoken to, but the direct answer to you, Sylvia, is that this is not Government policy.

Q220 **Lady Hermon:** That is what I sought to clarify. It was worth asking because it has been ruled out. Thank you. Now we have clarity.

It has been perfectly obvious, judging by the recent comments of a series of Irish Ministers, that they are not convinced that the British Government have made "sufficient progress". The EU have always asked for sufficient progress on three issues: the cost of leaving the EU; EU citizens and UK citizens in the EU; and the Irish border. What more are the British Government preparing to say today? Both of you are British



Ministers. This is the opportunity to say to people in Northern Ireland, people across the country and those from the Republic of Ireland who will be interested in your evidence today, what more the British Government are proposing to do to give sufficient evidence that you are making progress on dealing with the border? As Maria has pointed out, the words are wonderful—frictionless, seamless, no physical infrastructure—but we still do not know the details. What can you offer to them?

Mr Walker: The Irish Foreign Minister has said that the aim is to set out a roadmap and parameters, and for the later talks to provide the full solution. I agree with him in that respect. We have made specific commitments on the common travel area and on no physical infrastructure. I hope this evidence session will help to set out that our approach is a very constructive one in this regard. Of course it is vitally important that both sides have agreed that we should be enshrined the commitments of both the UK and Republic of Ireland to the Good Friday agreement and all our commitments, including the citizenship rights areas, which we have agreed.

Q221 **Lady Hermon:** That is a really, really important point, because so often the British Government have said that we are committing to honouring all of the Good Friday agreement. The Prime Minister has said it repeatedly, as have other Government Ministers. Why is it that it is not written in bold, in black and white, on the EU (Withdrawal) Bill? Is that something the Government could do to bolster confidence that the Government are serious about its commitment?

Mr Walker: The objective of the EU (Withdrawal) Bill is to remove the European Communities Act from UK law and then to ensure that the law continues to work in exactly the same way, not to make changes to the law. I am very clear—and the Government have been very clear and consistent throughout this process—about our commitment to the Belfast agreement. We have also agreed that the commitment of both sides to that can be enshrined in the withdrawal agreement. We have announced that there will be a withdrawal and implementation Bill that will allow for the withdrawal agreement to be written into law.

Q222 **Lady Hermon:** Are you signalling that that piece of legislation—the withdrawal Bill, the next one—is going to enshrine that?

Mr Walker: The contents of that Bill depend on the agreement that is yet to be reached between the UK and the EU, so I cannot give you precise line-by-line guidance on what will be in that Bill. However, given what we have said about the withdrawal agreement protecting those arrangements, that is certainly a possibility.

Chloe Smith: There is also what we have already agreed with the EU in negotiations to date. The PM's statement on coming back from the October European Council was absolutely clear that we have developed joint principles to recognise the CTA and the Belfast agreement. That is



HOUSE OF COMMONS

what will go into the vehicle that Robin is describing. It is quite important to reflect on what has been achieved in negotiations.

Q223 **Lady Hermon:** Is that confirmation that guarantees about the Good Friday agreement are going to be written into the next piece of legislation, if not the EU (Withdrawal) Bill. Is that confirmation?

Chloe Smith: What I am giving you is confirmation that we have the joint principles agreed with the EU. That is already on record. Therefore, that is a part of the agreement. In terms of exactly where it is written is, I defer to Robin.

Mr Walker: I cannot comment on the exact content of a Bill that has not yet been drafted and that has to reflect the withdrawal agreement, but we have agreed that those principles will be reflected in the withdrawal agreement. The objective of that Bill, the Withdrawal Agreement and Implementation Bill, will be to write that into law and implement it. The logic is there, and absolutely our commitment to these objectives is already there. There are already international agreements to which the UK is committed, and of course the Belfast agreement is more than just an international agreement. We will have to protect that commitment.

Chloe Smith: That is a crucial additional point. The Belfast agreement stands in its own right. The Belfast agreement is not in itself a competence of the EU. It stands in its own right. It is a bilateral agreement between two countries that continues to stand. It will be referred to but it stands in its own right.

Q224 **Lady Hermon:** Absolutely, but it also refers frequently to membership of the EU, because it was assumed during negotiations in 1998 that both countries would remain within the EU. Inevitably, it will be affected and will be changed by the British Government's and country's decision to leave the EU.

Chloe Smith: The British Government do not regard the Belfast agreement as being changed or as being subject to change.

In response to your earlier question, you were essentially saying, "Words are all wonderful but when are we going to get sufficient progress?" I was reminded when you said that of something the Irish Government themselves said in August. This is when we published a position paper that contained an amount of detail that we would still like to go into and we would like the EU to discuss with us. They said at that time those words. They reflect a lot of the language that the Irish Government have been using, in terms of maintaining the status quo and frictionless borders. What we had at that time in August was the Irish Government agreeing that our approach was "timely and helpful".

We think that that has continued to be the case. We have a very strong relationship with the Irish Government. We want to draw on that at this time to come to the thing that we all desire, which is progress enough in



HOUSE OF COMMONS

the negotiations to be able to serve the people of Northern Ireland, and indeed for the Irish Government to be able to respond to their citizens.

Q225 Lady Hermon: When were we last in touch with the Irish Foreign Minister? Have we calmed troubled waters, if I might describe them as troubled waters, in this last week?

Mr Walker: We are in touch with the Irish Ministers and the Irish embassy on a very regular basis. That is an ongoing dialogue.

Q226 Lady Hermon: How would you describe the relationship at the moment?

Mr Walker: There is a very good relationship between the two Governments. There is respect for the fact that the Irish are of course negotiating as one of the 27. They are a committed member of the European Union, and therefore we need to reach an agreement between ourselves, between the UK and the EU. There is a constructive relationship. We meet both Simon Coveney and Helen McEntee on a regular basis. I last saw her at the General Affairs Council a week ago. There is regular contact and dialogue between us, as you would expect there to be.

Chloe Smith: As the Committee will also know, that also occurs in the sense of the Stormont talks that we are also conducting. From both of our Departments' perspectives, it is a very strong relationship that we hugely want to continue.

Q227 Ian Paisley: Thank you, Chloe, for killing the straw man of the Good Friday agreement, in the sense that that remains unchanged and is regarded by Her Majesty's Government as being unchanged and not affected by this agreement. In fact, in all 36 pages of the Good Friday agreement there is no significant reference whatsoever to the European Union institutions. There is one reference to d'Hondt and there are five references to the ECHR, which of course members will know is outside of the European community. They are raising a straw man. I am glad at last the penny is starting to drop that it remains unchanged and is being put up by obstinate people.

Can I ask you about your views on the Irish Government because, frankly, I think the pussyfooting needs to stop? I think our neighbour has acted disgracefully. They are supposed to be our partner. As a nation, Her Majesty's Government since 2016 has given them billions of money, interest-free, to bail them out of economic ruin and bankruptcy. Of course that money has been paid back but it has been paid back, as I said, at a very generous rate. The Republic of Ireland relies on the United Kingdom for a major part of its trade. Its fisheries waters become our fisheries waters in 2019 and, as early as September 2019, they will need to make a fisheries deal not with the rest of the EU but with us. Frankly, if they continue to exasperate our will as citizens of the United Kingdom, I think we should make that fisheries deal as long, tenuous and hard for them.



HOUSE OF COMMONS

Maybe the message needs to be spelled out that they need to start dealing with us in a mature way and dealing with us as good neighbours and as friends, instead of trying to frustrate the will of the people of the United Kingdom by saying that they want a united Ireland and they want this part of sovereign territory of Her Majesty's Kingdom to remain outwith the rest of the agreement. That needs to be spelled out loud and clear. If Her Majesty's Government is not, for diplomatic reasons, prepared to say it publically, I hope that you are starting to shake the cage internally and privately in these negotiations, because frankly a lot of people are really exasperated with the attitude of the Irish Government, which is, "Let's just shout at the border and think that solves our political problems". It does not. It just exasperates them. I had to get that off my chest.

I asked you an earlier question about the pretence and the propaganda that exists that there is no border when there is a border *de jure* and *de facto*. There are institutions on our border. They are very, very sophisticated. You may not wish to go into some of those issues but can you confirm that there is already sophisticated technology engineered around our border that assists with ensuring travel is conducted in a fair and good way?

Chloe Smith: Ian, it is correct that I cannot go into the full details of this, because that would help those who we would wish to hinder in security regards. To your earlier point about whether there is, for example, automatic number plate recognition, there are measures that police use for traffic all through Northern Ireland. That is not necessarily specific to the border. That might be in use for the other reasons that ANPR is in use in any place. What we have said—and both Robin and I have said this morning—is that we are extremely keen to see no new physical infrastructure at the border. The border as it stands is a place where people can conduct their business—their trade and everyday life—very easily across it. That is what we want to continue. For the reasons I have already outlined, I do not think it is quite right to go into more detail than that.

Q228 **Ian Paisley:** There is physical infrastructure. It is high-tech. Probably for a lot of people it is not even visible. People think of cameras as huge, big devices. Cameras now are smaller, frankly, than this jug and probably go unnoticed by a lot of people. That technology already exists. I understand there is also drone technology used by Her Majesty's military forces. There are a number of pieces of technology used along our border, which is not hard-built apparatus as we would be familiar with during the heavy days of the Troubles but we do have infrastructure on our border. I am just making that point because some people seem to work under this propaganda that there is no real border and therefore nothing should change. There is a border and there is infrastructure on the border. Is that right?



HOUSE OF COMMONS

Chloe Smith: I will stick with the comment I have already made that I am not going to go into the details of what is used by the security services.

Q229 Ian Paisley: In 2016, Grant Thornton produced a report showing that there was over €500 million of lost revenue to the customs unit in the Republic of Ireland, largely because of smuggling on the border during the previous seven years. HMRC has produced similar reports of around £1 billion of loss in Northern Ireland over 10 years in smuggling, principally oils. It is fair to say that our border as it currently exists, under the halcyon days of the EU, has been an unmitigated disaster in terms of smuggling. Is that right?

Chloe Smith: I would not put it in those terms myself. I know this is something you have worked very much on. I have a great amount of respect for that work because these are very important issues. While we can talk about the trade we would like to see across the border there is, as you say, sometimes types of trade we would not like to see across a border. Both the Police Service, the Garda and the other agencies involved, such as HMRC, continue to work incredibly hard to minimise that kind of illegality. In the context that you referred to, with the history of the Troubles, the context here is much wider than mere criminality. It is connected to paramilitaries.

All of that together is something that we have seen great strides on over the years. If you look at the 20 years since the Good Friday agreement, for example, it is obvious that Northern Ireland is a safer, more peaceful and more prosperous place. That is the kind of thing we want to see continue, and whether that means we focus on the legitimate economy continuing to prosper or whether that means we continue to clamp down on the illegitimate economy, that is aim.

Q230 Ian Paisley: If it is connected to paramilitaries, that means that the IRA, which still has a link to Sinn Féin, makes money out of our border and that loyalist paramilitaries make money out of our border. That ultimately indicates that this is not just criminality. That is a very serious point that has been made: that there is a political organisation in Northern Ireland benefitting from the current border. Perhaps that is why they took a position that they did not want Brexit, because it has been a darn good payer for them as it currently exists. I hope that the message is going to go out that things can only get better in terms of border security after Brexit, because frankly I have been underwhelmed by how poor our border is in terms of addressing smuggling, and that has been the case for decades, as you will know.

Earlier on, the Chairman asked you a question about transparency in terms of the scrutiny of the legislation of documents and documentation. That is a fair point. Is it not a fair point also that it was Sinn Féin that brought down the Assembly? They boast about it. They say that they brought the Assembly to an end. It is not a secret. They have effectively ended scrutiny by the Northern Ireland Assembly of Brexit. There might



be a fortuitous moment arising, in that it is this Parliament that are now scrutinising on behalf of Northern Ireland, through its elected members who come here. Sinn Féin are entitled to come here if they wish. They do not bother. Under the Parliament, with us scrutinising it, it might be a much more open scrutiny, because frankly if this stuff comes back to the Assembly in its current make-up, all we will get is carping, blocking and attempts to undermine Brexit, as opposed to proper scrutiny of the Brexit negotiations. Is it not the case that the Assembly at this point could damage Brexit?

Chloe Smith: It is the view of the British Government that we want to see the Assembly and the Executive returned.

Ian Paisley: It is my view as well.

Chloe Smith: That requires your party and Sinn Féin to be able to take those steps to come together. Of course, let us not forget the other parties as well. What we would like to see is a flourishing Executive and political system as a whole. What is the best way for Northern Ireland to have a voice on Brexit? We would say very strongly that we would like to see the Executive in place so that it can play its part there. The kind of interaction that is being had with the Scottish Government and Welsh Government is absolutely vital. We would like to see the same.

Q231 **Ian Paisley:** That is a hypothesis. The fact is there is no Assembly. There is not going to be an Assembly by Christmas or between now and our next Budget in March realistically. That is where we are. The real scrutiny is going to be done by Members of this House and hopefully by members from Northern Ireland. This Committee is going to be one of the places where a lot of that scrutiny is going to end up being done. Is that not the case?

Chloe Smith: I certainly think the role of this Committee is very important, as I said at the start. You have taken steps to set the structures for that, which is a good thing. Briefly on the Budget, which you mentioned there, we have just taken through the budget for the Northern Ireland Civil Service here in this Parliament. That was merely for this financial year, as you rightly imply. There is the whole process to go ahead for the next financial year. It is our steadfast position that we want to see Northern Ireland in a position to do that for itself.

Q232 **Conor McGinn:** Often when we discuss the land border and hard border we can go down a cul-de-sac of procedures, protocols, infrastructure and paperwork. My understanding is that a report commissioned by your Government identified 142 areas of cross-border co-operation, on everything from special-needs education to heart surgeries, cancer patients and mobile phone roaming. It said this was areas of co-operation that could potentially be harmed by Brexit. The Centre for Cross Border Studies said that the social cohesion and connections made between the border communities could also be damaged. What are you and your Department doing to address that, because it seems to me that



HOUSE OF COMMONS

it is an incredibly important report? There are 142 areas of co-operation on such detailed and complicated matters that affect people's very lives, in the sense we are talking about heart surgery and cancer. That is very important. If we leave the EU without a deal, will all that fall off a cliff?

Mr Walker: What we are talking about here is the mapping-out exercise that has been conducted between the UK Government and the Commission as part of the negotiations, to talk about the existing areas. It is important, first of all, to be clear that this is talking about existing areas of co-operation; these are areas that are either covered under the six principles of the Belfast agreement and the six co-ordination bodies there, or they are areas where the Northern Ireland Executive has signed off on co-operation that exists between the north and the south under the auspices of the North-South Ministerial Council.

It is not the case that all those areas are at risk. It is important to put that on the record. What we are talking about is that these are areas of existing co-operation, which we are agreed that we need to preserve. We want to make sure that in the negotiations and the agreement that we reach with the European Union, they are able to be preserved. That is the process we are going through at the moment. It is very important that we engage with that process and we take that forward.

Q233 **Conor McGinn:** So you can guarantee today that people from Donegal travelling to Altnagelvin and children from Northern Ireland travelling to Dublin for heart surgery will continue after Brexit, and that those 142 areas of co-operation will absolutely continue after Brexit.

Mr Walker: The whole purpose of this process is to make sure that will continue and that existing co-operation can go on. It is very important that we do that. As you will appreciate, I cannot go into huge detail on negotiations that are still underway and on that process that is taking place, but it is very important that we are clear that the aim of that process is to allow the existing co-operation to continue.

Q234 **Conor McGinn:** Phil Hogan, Ireland's European Commissioner, said yesterday that the only way to maintain a seamless and frictionless border was for the UK to stay in the single market in the EU. Theresa May said that the UK is leaving the single market and the customs union. Liam Fox, the International Trade Secretary, said there would be no final answer to the Irish question until the end state of the talks. Simon Coveney, the Irish Foreign Affairs Minister, said that this needs to be resolved before we move to phase two. Robin, I like you and you are a very plausible fellow, but I do not see for a minute how you can say that the EU, Ireland and the UK's objectives on this are well aligned.

Mr Walker: If you look at the objectives we have each individually set out, they are very well aligned in where we are heading to. What we are talking about here is ends of needs.

Q235 **Conor McGinn:** Did you hear what he said and the quote I just gave you?



HOUSE OF COMMONS

Mr Walker: Yes. Let me give you another quote from Simon Coveney talking about the roadmap and parameters being agreed at this stage, rather than necessarily the specific solutions, and saying that these are a guide to later solutions. There is an acknowledgment on all sides that we want to make progress in this early stage of negotiations, in the so-called withdrawal negotiations; we want to make progress about the commitments we are all making and the objectives we are all setting out. We then need to move on to the next stage of the negotiations in order to deliver a full solution. Those various statements are reconcilable.

Q236 **Conor McGinn:** So what Liam Fox said and, Chloe, you said earlier, that phase two would see us move closer to an answer on the border, is now government policy: that the border will not be resolved by the end of phase one, despite David Davis, your boss, saying it had to be resolved by the end of phase one?

Mr Walker: Our commitment on the border to no physical infrastructure and not putting barriers in place is absolute, whatever happens in the negotiations. What we set out in our papers—in both the Ireland-Northern Ireland paper and the customs paper—are specific solutions that we think will be helpful in terms of the functioning of the border for the future relationship. It is very important we are able to discuss those and it is one of the reasons that I have been stressing to European partners throughout this process that we should be moving forward into that broader discussion because it would be helpful to the working arrangements between us.

What is crucial is the aims. If you look at what the UK Government are looking to achieve and what the Republic of Ireland Government have set out in terms of their commitments on the border, they are absolutely aligned and reconcilable. We need to push on with the process so that we can deliver on those aims.

Q237 **Conor McGinn:** We will see in a couple of weeks whether that is right or not. Finally, Chloe, in terms of the ongoing political impasse, you have said that talks are continuing and have referred to ongoing talks. When was the last time you and the Secretary of State and/or the Irish Government met with the parties as part of that formal-talks process? When were talks last convened?

Chloe Smith: There have been various points referred to in the media that you will have seen inside the last 10 days. We are continuing work at every level to be able get that to a successful conclusion.

Q238 **Conor McGinn:** Following the setting of the Budget here, have the parties met? Have you met with the parties? Has there been a session of the talks since the Budget was set?

Chloe Smith: Meetings have taken place, yes.

Q239 **Conor McGinn:** Are the talks continuing?



HOUSE OF COMMONS

Chloe Smith: Yes. The work continues to be able to get the Executive back up and running for all the good reasons we have discussed here today.

Q240 **Conor McGinn:** I am slightly confused, because Michelle O'Neill, Sinn Féin's leader in Northern Ireland, said yesterday that there was no basis on which the talks could continue or should continue, and that they will not be taking part and had not taken part in any talks.

Chloe Smith: The UK Government are continuing its work to have the Executive return. Quite clearly, that requires the two largest parties to agree and, as I referred to earlier on, it does in due course require the other parties to agree to that as well.

Q241 **Conor McGinn:** One party has said that there is no basis for talks, so what talks are happening if one party has said there is no basis for talks. Who are you talking to?

Chloe Smith: I answered you earlier on that meetings are continuing. Clearly they have been reported in the press, so the Committee knows as well as anybody else that they have occurred. As to whether I agree with Michelle O'Neill or not that there is no basis, we think there is clear basis for agreement to be found. We think the number of issues that remain to be resolved is limited in number and possible to overcome. We think that it would be so very clearly beneficial to the people of Northern Ireland for that to happen.

Q242 **Conor McGinn:** What is the Government's position on the Taoiseach's indication that he would ask for an intergovernmental conference to be called in the new year?

Chloe Smith: I will bring several things together here. First of all, it is so important to say, as came up in Sylvia's questioning, that the work with the Irish Government and the strength of the relationship with the Irish Government is crucial here. We want to continue that joint working with them, in accordance with the three-stranded approach that is set out in the Belfast agreement. We want to continue to do that and we will do so. We will do that to ensure that we, the UK Government, are discharging our responsibilities, and we want to do that, as I say, for the benefit of the people of Northern Ireland, not only in their everyday public services but of course also in the broader issue of the exit from the EU, which is the subject of this inquiry.

Q243 **Maria Caulfield:** For Robin Walker, to push you on the point of a cross-border trade exemption as a proposal that would help small businesses trade and move goods and services across the border, is that a proposal that is being discussed with the EU in the negotiations and with the Irish Government?

Mr Walker: It is a proposal that we have put forward. When we discuss it with the EU, they say this is something about the future relationship



HOUSE OF COMMONS

rather than about the withdrawal agreement. We would like to be discussing that so that we can go into the detail of this and get it agreed.

Q244 **Maria Caulfield:** Would that proposal be in both directions, so with Irish farmers and Irish small businesses moving to work with Northern Ireland? Would that be a two-way proposal?

Mr Walker: It is very clear, if you look at the detail, that the benefits would flow in both directions from that, and that the existing arrangements benefit communities and businesses on both sides of the border. That is the logic of what we are proposing.

Q245 **Maria Caulfield:** Does the Irish Government support that proposal?

Mr Walker: Where we are now, at this crucial stage of the negotiations in which we are talking about withdrawal agreement issues and moving on, the Irish Government have been very clear they are negotiating as one of the 27. We have to respect that. We have seen, and I have seen in my engagement with Irish business organisations, that there is that absolute desire to protect the flexibility of the border and protect the ability of businesses to go about their business in the way that they have done. We see that as being clearly aligned.

Q246 **Maria Caulfield:** The UK Government have put that proposal forward.

Mr Walker: Yes.

Q247 **Kate Hoey:** If this is something that everybody would like on both sides of the border, who can stop this happening whatever happens after the deal, whether there is a deal or not? Who can stop this happening if the Irish Government want it, the local businesses want it, the British Government want it and the locals want it?

Mr Walker: The answer to that question is fairly obviously that it is about the EU and their arrangements.

Q248 **Kate Hoey:** The Irish Government would have to accept in the end whether they were more wanted to go along with what the EU said about 27 countries and so on, rather than what their own people wanted over the border?

Mr Walker: We need to respect the fact that Ireland is a member of the European Union and will continue to be a member of the European Union, and therefore we need to reach an agreement between ourselves and the European Union on this. The Irish, as we have, have called for flexible and imaginative solutions. Mr Barnier himself has talked about not having to look at precedent and to be imaginative on this. We need to engage with that and take the opportunities that are here to reach a good deal.

Q249 **Jim Shannon:** I am very pleased with both ministerial responses. I want to ask some very quick questions. I am conscious that time is fast disappearing. I have a large number of agri-food businesses in my



HOUSE OF COMMONS

constituency who traverse the border. Pritchitts Foods in Newtownards sends products across to get packaged, and then they go back across the border to be packed and centralised. It is then sent across the rest of the United Kingdom and into Europe. The product traverses the border on three occasions. It is very clear to me that businesses in the Republic of Ireland and Northern Ireland need to have a transparent border, as it is now, and not a hard border. At what stage has the Republic of Ireland Government realised that a hard border will hurt them as much as it hurts us? Have they thought about that? Is there logic in how they think?

Mr Walker: There has been a recognition there. As I say, with my engagements with Irish business organisations as well as with the Government, there is that recognition that the benefits of the border being frictionless work in both directions. There is huge interconnection, particularly in the agri-food business. I have met with and discussed with agri-food businesses in Northern Ireland and also with Ibec in the Republic. They are interested in this area. They are very clear about the benefits of preserving some of the existing co-operation in that space. Of course, that goes beyond just the border arrangements. When it comes to things like phytosanitary arrangements, it is very important that we recognise that there is existing co-operation there that would be good to preserve.

Q250 **Jim Shannon:** The reason I ask the question is, if the Republic of Ireland are listening to their companies down south, it is quite clear what the companies and the chief executive directors are saying. They are saying that they want the border as it is. If the Republic of Ireland are going to hold fast and push for a hard border, they have to realise that their companies in Southern Ireland are going to feel the real pain of what happens. I am trying to understand how the Republic of Ireland have not grasped the simplicity of the border.

Mr Walker: The honourable gentleman is being a little unfair. The Republic of Ireland have never pushed for a hard border. They have been very clear that their objective is to avoid a hard border, as is our objective. What we need to ensure is that we can have the conversation both with the Republic of Ireland and with the EU to secure that objective. That is what we are endeavouring to do. We are at a crucial stage of negotiations now where we can move on from the withdrawal issues and focus on those future arrangements, which will be helpful in delivering our objective. Our interests in that respect should be aligned.

Q251 **Jim Shannon:** From a tourism point of view, it is very clear to me that we want to be able to cross a border in terms of tourism of south going north and north going south. Neither party in those buses of 60 or 70 people sitting there would want to be stuck at a border for half an hour, up to an hour. Tourism is immensely important to both territorial countries, Northern Ireland and the Republic of Ireland. We want people to enjoy both. Again, have the Republic of Ireland thought about the impact upon their tourism numbers of a hard border? With respect,



HOUSE OF COMMONS

Minister, the facts tell a different story out there. Every day the Taoiseach is saying one thing one day and another thing the next day. Simon Coveney throws in his tuppence-ha'penny worth every now and again, and all he ever does is stir the pot. The question is: is the EU wagging the Republic of Ireland's tail? Are they allowed to think on their own? If they are not, it is very clear to me that the EU are the people calling the tunes. If they call the tunes, it is also clear to me that the casualty to this will be the Republic of Ireland's economy. They have to realise this very quickly. Have those discussions taken place?

Chloe Smith: I will give Robin a chance to catch his breath. It is rather hard for us to be expected to answer all your questions as related to the thinking of the Irish Government.

Q252 **Jim Shannon:** Have the Republic of Ireland got a listening ear or is their ear closed?

Chloe Smith: The point is that our objectives, as your tourism example underlines and is a very good example, are absolutely aligned. If you think about the success that Northern Ireland is seeing in its tourism performance—for example, the Lonely Planet ranking that came in only recently suggesting that Belfast is the place to see this year—all of that is strongly underpinned by the way people can move easily around the island. We would all wish to see that continue.

Q253 **Nigel Mills:** Can I go back to what the future customs border will look like? I think that is the area that is most difficult for us to imagine. Can we take the scenario of perhaps the best case—that we get a good free trade deal so there are not many tariffs being imposed, if any? Assuming we have some kind of customs co-operation agreement or something in place, what are we envisaging businesses in Northern Ireland having to do in terms of customs compliance? Are we envisaging no compliance at all? If they want to export something into the Republic they make the existing VAT declarations and whatever, and that is it? Is that what we are expecting?

Chloe Smith: We have put forward two suggestions in our August papers, as I am sure you are very familiar with, in which we lay out what that could look. As we have said in answers to a number of questions here today, it is not possible to give you the definitive answer that you might be seeking to that question here at this Committee, because we want to see the negotiations do their job.

Q254 **Nigel Mills:** It is fair for us to probe what the scenarios we are putting forward mean, which is what I am trying to do. What the White Paper seemed to be trying to say was that any small or medium-sized business would just not have to comply. There would be no declarations or electronic filings—nothing. Is that right?

Mr Walker: We would certainly like to discuss the idea of a very significant local trade exemption to allow for small and medium businesses not to be affected by the process. It also depends on the



customs arrangements between the UK and the EU. We set out in our customs paper, as Chloe said, two particular options for that, which we would be helpful in addressing this. It is useful for us to have proposed solutions on this. It would be even more useful for us to be able to discuss those solutions. That is the crucial point about where we are in the talks now. We want to move onto that discussion, and that would be in the interest of both sides.

Q255 Nigel Mills: We are inquiring into what the border will look like, so I am trying to understand the practical implications of what the Government is proposing as the creative, imaginative, flexible solution. In the context of Northern Ireland, which is presumably where most of the local trade issues are going to apply, where did the idea of an exemption for small and medium-sized businesses come from? Was this something that was dreamt up on the back of a cigarette packet somewhere in one of the Departments, or is there any precedent for this around the EU? Is this flying-a-kite imaginative?

Chloe Smith: No, it is rooted in a very strong understanding of what the border is at present like in Northern Ireland. We were referring to this earlier on. It is people's everyday lives. It is more like local trade in a local market rather than necessarily international trade. That is the way people understand it. That is where it comes from.

Q256 Nigel Mills: Is there any evidence or precedent anywhere?

Mr Walker: Yes. There are a number of precedents that are cited in our customs report. I am not going to go on to list those. You do not want to get stuck on a specific precedent here but it is important that there are precedents for the EU to have local trade exemptions on its borders. It is fair to say that most of the existing ones are smaller than we would be talking about, in terms of the context of the Ireland/Northern Ireland border, but we all recognise this is a unique set of circumstances. As Chloe said, it should be about preserving the way things work currently.

To your point about whether this is being done just in the interests of Northern Ireland, from our perspective that is our first responsibility: to look after the interests of the UK, including Northern Ireland. However, it would be hugely in the interest of businesses on both sides of the border to have such arrangements in place.

Q257 Nigel Mills: Have the EU and Irish Government accepted that this idea meets the definition of a flexible and imaginative solution that they seem to want to move the talks on? Are they expecting something else to have been said as a backstop?

Mr Walker: That is really a question for them. What we are doing at the moment is engaging bilaterally, as you would expect us to, with the Republic of Ireland and in the talks with the EU to make the strongest possible case for saying, "We can agree on the key principles here of what we want to achieve. We need to move forward now and make sufficient progress so we can deliver on the detail".



Q258 Nigel Mills: In theory, our departure from the customs union could be 16 months away, so when are you planning to start training or advising businesses in Northern Ireland about how to comply with this if they need to? It is not a straightforward thing to find customs codes for every product if you have never had to do it before. Is that something we need to be starting practically soon, so businesses know how to go about being ready to comply in case they need to in 16 months?

Mr Walker: In our customs paper we set out very clearly that we believe there is a mutual interest in having an implementation period, so that any new arrangements that need to be put in place between the UK and EU have time to prepare. We think it is very clear, not just from the Republic of Ireland but other members of states as well, that that would be beneficial to other member states who do business with us as well as to the UK. Our objective is to secure that implementation agreement that is in the interests of both the UK and the EU, and therefore not to have that time pressure. Of course, as we discussed earlier, there has to be contingency planning and that contingency planning is going on, including with HMRC.

Q259 Nigel Mills: The message to businesses in Northern Ireland that export goods to the Republic on a regular basis, on which, in theory, if we went to WTO there would be tariffs, is that we will stay in the customs union for that implementation period? Is that what the Government expect to happen?

Mr Walker: The Prime Minister has talked about operating under the same rules and regulations. It was in our customs paper that we set out that implementation period from the UK's perspective for the first time. That is the logic of what we are saying. What we want to ensure is that there is agreement on this from both sides, because we think this is profoundly in the interests of both sides. The reality is any changes in terms of customs arrangements would take time to put in place. That is, as you have said, about talking to businesses, as well as the whole conversation about infrastructure that might be required at ports, for instance. We are very clear that we want to provide that implementation period to provide certainty that there will not be any changes overnight.

Q260 Nigel Mills: The implementation period is a bridge to the agreed solution. It is not an extension to agreeing the solution.

Mr Walker: Correct. That is very important, and that is why there has sometimes been a bit of a semantic argument around "implementation period" versus "transition". We have used the terminology of an implementation period because it is about taking the time to implement the agreed solution.

Q261 Nigel Mills: If there is not a prospect of an all-encompassing free trade deal and close customs co-operation—so we will end up with some products at least having to have tariffs because we cannot agree not to have tariffs on them—that strikes me as saying that there is nothing to



HOUSE OF COMMONS

implement on those things and therefore we presumably do not have a transition at that point, so we have to start applying the new rules straightaway. That is not what you are envisaging.

Mr Walker: What the Prime Minister has set out in terms of the implementation period would be a two-year period under which we are operating under the same rules, regulations and arrangements. That is absolutely what we have set out as our position. Clearly this is also something that we want to get on, negotiate and agree between ourselves and the EU. They are currently working on formulating their position on that.

Q262 **Nigel Mills:** If, heaven forbid, in the worst-case scenario it became apparent that there was not going to be a good free trade deal and we just could not get there, that gives us nothing to implement in the customs field, because there is no deal. What would happen on 30 March 2019? If I am a business in Northern Ireland, do tariffs start to apply on 30 March in that situation, or are we going to have a two-year implementation phase with nothing to implement?

Mr Walker: This is something that we are in negotiations on at the moment, with regard to getting to the stage where we can discuss an implementation agreement. I cannot get that far ahead in talks. Clearly we have to have contingency plans in place. As we touched on earlier, that is something we are working on across Government.

Q263 **Nigel Mills:** That is where the difference between a transition and an implementation phase is, is it not? A transition would say you then have two years and stay in the customs union, so nothing changes on 30 March. An implementation phase with nothing to implement must surely mean things change in 16 months.

Mr Walker: The shape of whatever you want to call it—the transition or implementation phase—is yet to be negotiated. We have set out what the UK's position is and our ambitions for an implementation period. It is important that we now get on and agree that. In this context—and we did highlight it in our Northern Ireland report—that is very important. It would be valuable to communities and businesses on both sides.

Q264 **Lady Hermon:** I have a few questions left on what has been said earlier in the Committee. One of the issues that we have not touched upon is that you made reference in the very early part of the evidence session to how important EU funding had been to the peace process. Once the UK leaves the EU, what on earth happens to the funding—for example, Interreg funding, which has been so beneficial particularly to border communities? We are going to be leaving the European Development Fund. I do not know who pays who after we leave the European Development Fund. Apparently we are going to have to pay them back some money as well. I do not know quite how that is going to work. What happens to border communities? What happens to EU funding that has been so important as a peace-building exercise in Northern Ireland?



HOUSE OF COMMONS

Are the Government going to continue that funding? Is the commitment that the British Government are going to continue to do that in Northern Ireland?

Chloe Smith: The commitment is—as I was answering at the last Northern Ireland oral questions, and as Robin will have said many times as well—that we would like to be able to guarantee the funding we are already involved in. It is our hope that others will continue. Indeed we set that out in the August paper also.

Q265 **Lady Hermon:** Is that a clear commitment? I am trying to work out whether that was a clear commitment that the British Government will continue to fund cross-border initiatives in the absence of Interreg funding from the European Development Fund? Is that a clear commitment by the British Government that they will continue to fund those initiatives?

Mr Walker: The commitment we have made is to the PEACE IV programme. We would like to discuss with the EU a successor to that programme.

Q266 **Lady Hermon:** Sorry, Robin, to interrupt and be so rude, but to tease that out a little bit, after the UK has left the EU, we are anticipating continuing to draw down funding from the EU for Northern Ireland. Is that the case?

Chloe Smith: For those that have been signed before we leave.

Q267 **Lady Hermon:** Only those that have been signed before we leave.

Chloe Smith: That is something the Chancellor has already made clear.

Q268 **Lady Hermon:** Afterwards?

Mr Walker: We have set out that we would like to be able to discuss with the EU and Republic of Ireland the successor to the PEACE IV programme and an approach to that, which would remain bilateral and one in which we would all be involved. That is something that is subject to negotiations. It is not something we can unilaterally set out to do but we would like to have a discussion on that.

With regard to structural investment fund projects signed before we leave the EU, clearly the UK is a participant in Interreg and other European territorial programmes, and provided they provide strong value for money in line with domestic priorities, there is that guarantee from the Government there. We have also set out plans for a UK shared prosperity fund, for the UK successor to some of those structural and territorial programmes that currently exist.

Chloe Smith: There is also an important point to make here, separate to the EU and separate to what funding from source has been able to do, which is that the UK Government in general remain committed to cross-border peace programmes, for all the reasons that I hope have been



HOUSE OF COMMONS

clear in our answers today. We recognise the unique circumstances and issues there that still need attention.

Q269 **Lady Hermon:** Those are the programmes that have arisen from the Belfast agreement that you are going to continue to fund.

Chloe Smith: I was making a general point there but, as I also said earlier on, we are absolutely committed to our responsibilities under the Belfast agreement and see those continuing.

Q270 **Lady Hermon:** Excellent. Right at the very beginning of the Belfast agreement, it guarantees to those who were and are born north of the border that they can be British or Irish citizens, or both. After the UK has left the EU, we will have Irish citizens in Northern Ireland. How do they exercise their EU rights living in Northern Ireland? How is that going to be achievable?

Chloe Smith: As they presently do. The agreement that we have, as the Prime Minister made clear on return from the October Council, and that Robin and David Davis have spoken about throughout, is that we have agreed the way in which the CTA will continue to operate. That is a part of the answer to your question. Robin also referred earlier on to how the question of the rights of Irish citizens and the broader question of EU citizens' rights interlock.

Mr Walker: Part of the answer to your question, in terms of the constitutional position for Irish citizens who are EU citizens and how they exercise their rights, is a question for the EU because they have to make the appropriate arrangements. The European Parliament has produced various reports on this, looking at various options. What we are absolutely clear about is that we will respect those rights and enshrine those citizenship rights and the right of people living in Northern Ireland to choose to be Irish citizens, UK citizens or both in the withdrawal agreement. We will make sure that those are protected.

Q271 **Lady Hermon:** Do you expect after Brexit that British citizens will be required to have visas to travel to other EU countries, to visit Germany, France or Spain? Are you anticipating visas?

Mr Walker: No, I do not think that would be in the interests of the EU or the UK. We have talked about the benefits of tourism and of existing movement.

Q272 **Lady Hermon:** You have to accept that it is a possibility.

Mr Walker: Obviously it is not something we can absolutely rule out but that is not our expectation. Our expectation is that people will see the benefits of people being able to move freely.

Q273 **Lady Hermon:** Yes, but do you recognise it would be extremely difficult? Let us say there is a primary school, secondary school or grammar school in Northern Ireland that wants to organise something as basic as a school trip to Germany, France, Spain or any EU country after Brexit, and those



HOUSE OF COMMONS

children in that particular class who are going to visit and identify as Irish citizens will be able to move freely without any visa and those who are British citizens would require a visa. It is potentially very divisive. Am I right?

Mr Walker: If that situation was to arise, yes, it would be but that is not what we expect to happen. What we think would be in the interest of both the UK and EU is to come to sensible arrangements that do not require visas for people to travel.

Q274 **Lady Hermon:** Is that a clear negotiating stance from the UK Government?

Mr Walker: We have not yet begun the negotiations on the future relationship but we clearly think it is going to be beneficial to allow people to visit the respective territories of the UK and the EU. In this context, we have the additional protection, in respect of the territories of Northern Ireland and Republic of Ireland, of the common travel area. This is something for the next round of negotiations but there is huge mutual interest in making sure we are not putting up barriers to people being able to travel. The Prime Minister has also talked about the benefits of cultural and scientific educational links between the UK and the EU. That is an indication that we will be taking a sensible and pragmatic approach to this.

Q275 **Chair:** I have one final question. The figure of £40 billion is being discussed at the moment in relation to the so-called divorce settlement; some of that perhaps might be referred to as *reste à liquider* money—that is to say, money that has been budgeted for by the European Union but has not yet been committed to, so in other words can be cancelled. To what extent do the PEACE and other forms of funding that relate to the Northern Ireland and Republic of Ireland border feature as part of that RAL?

Mr Walker: That is a good and interesting technical question but it is one to which I do not have an answer. I am not going to comment on the press speculation about this. If I may, that is a technical question on the RAL. I would be happy to write back to Chair of the Committee.

Chair: I am very grateful. Ministers, thank you very much for your attendance. We have kept you a very long time and it has been something of a marathon for you. The answers to the questions have been precise. We are grateful for that and they will certainly help to inform our report when it is published early in the new year. Thank you.