

Select Committee on the European Union

Uncorrected oral evidence Brexit: UK-Irish relations—follow-up

Tuesday 6 February 2018

3.05 pm

Members present: Lord Boswell of Aynho (The Chairman); Baroness Armstrong of Hill Top; Baroness Brown of Cambridge; Baroness Browning; Baroness Falkner of Margravine; Lord Jay of Ewelme; Baroness Kennedy of The Shaws; Lord Liddle; Baroness Neville-Rolfe; Lord Selkirk of Douglas; Baroness Suttie; Lord Teverson; Lord Whitty; Baroness Wilcox.

Evidence Session No. 14

Heard in Public

Questions 113 - 120

Witnesses

I: Lt Col Rebekka Strässle, Chief of Staff, Swiss Border Guard; Dr Christian Bock, Director-General, Federal Customs Administration; Mr Pål Hellesylt, Director for Customs and Trade Facilitation, Directorate of Norwegian Customs; Mrs Hanne Solgaard Andersen, Head of Customs Procedures Department, Customs Region East—Norway.

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Examination of witnesses

Lt Col Rebekka Strässle, Dr Christian Bock, Mr Pål Hellesylt and Mrs Hanne Solgaard Andersen.

Q113 **The Chairman:** Good afternoon, ladies and gentlemen. This is an important session for the Committee, looking at the practical implications of operating borders in a modern situation where trade is flowing extensively. I remind our witnesses and members of the Committee that this is a public session. It will be webcast. We will share a transcript with you to deal with any factual problem. I also make the general point that, although I am sure you will illuminate us with your answers this afternoon, if there is any follow-up material that you want to supply or anything that you think might be of interest to the Committee, we regard this very much as a living relationship and you can come back to us. Indeed, we may need to ask you some questions later. Without further ado, having welcomed you, I think that it would be sensible if I asked you to introduce yourselves.

Lt Col Rebekka Strässle: I am chief of staff of the Swiss Border Guard.

Dr Christian Bock: I am the director-general of the Swiss Federal Customs Administration, which is responsible—it is perhaps a peculiar organisation—for both customs management and the Swiss Border Guard. We are organised like the US Customs and Border Protection, with goods and people under one roof.

Mrs Hanne Solgaard Andersen: I am head of the department for customs clearance and audit control in the customs region of eastern Norway.

Mr Pål Hellesylt: I head the department of customs and trade facilitation in the Directorate of Norwegian Customs.

Q114 **The Chairman:** We reiterate the Committee's thanks to you for your time. We are dealing with, and I do not regard this as derogatory, experts—people who have direct experience of what are serious and interesting practical considerations. I am sure that we could go round the Committee and share our travellers' tales. Perhaps it would help to warm you up if I were to say that I have some knowledge of land crossing, as a private individual, at the border between Switzerland and Baden-Württemberg. In contrast, once in the course of an afternoon I effected a crossing between Sweden and Norway and back, but it was a long time ago—1966—and it was on quite a small road, on which the sole sign simply said, "Norge", with an arrow to the right. I never quite worked out what would have happened if a car coming in the opposite direction had followed the opposite instruction—it was before Sweden moved to driving on the right. Each case is interesting and different and we want to explore that.

Let me ask the first question. Please do not feel that you all have to answer all the questions, but we would like to get both the Swiss and the Norwegian perspectives on each of them as we go through. The first

question looks at the movement of goods and services. Could you indicate the scale and volume of such operations, including the personnel involved and the logistics? Let us start with the Swiss, for convenience.

Dr Christian Bock: I am happy to do so. Perhaps I can give you some numbers. Each day, 2.1 million people cross the Swiss border. Each day, 26,000 heavy goods vehicles cross the Swiss border. To give a sense of the magnitude of that, that is roughly twice the number of people doing this in the US and more than twice the number in the United Kingdom. Of course, these are not all imports to Switzerland. We are on an important north-south and east-west route, so there is transit traffic, but nevertheless it is traffic that we have to control. As to personnel, we have around 5,000 people, which might be a small number, but we are 10% of the Swiss federal administration and the biggest federal administrative body.

The Chairman: And the Norwegian perspective?

Mr Pål Hellesylt: As you might know, our land border is 2,500 kilometres long and 22 million people cross it from Sweden, Finland and Russia into Norway each year. Some 10 million vehicles cross over to Norway, 1.2 million of which are commercial, heavy goods vehicles. The predominant part of this traffic comes from Sweden through one of the 57 road crossings. Just 11 of those crossings are served by a customs office. All the commercial traffic has to pass through one of those 11 crossings. Our co-operation with Sweden means that only Norway or Sweden serves those 11 places. In other words, we do not double up on customs officers.

The Chairman: Can I now ask you a question from a different perspective, which is on the people side? I am not talking about employees; I am talking about the transit of nationals from one country to another. There are obviously concerns about subjects as diverse as abducted children owing to family difficulties, cross-border criminals escaping or people evading the migration system. What are your perspectives on that? Again, just for convenience—and I will not repeat this—let us start with Switzerland and then hear the Norwegian perspective.

Lt Col Rebekka Strässle: Last year, we had around 32,000 illegal migrants, whom we picked up mostly at the southern frontier. When it comes to child abduction or other criminal activities, we work in close concert with the federal police. There are systems running, including cameras that read licence plates and other systems that check as travellers cross the border.

The Chairman: And the Norwegian perspective?

Mr Pål Hellesylt: Norwegian customs just controls goods. We do not control the traffic of persons—the Norwegian police have that responsibility. We are part of the Schengen area, which means that we

have no systematic person control over the borders with Sweden and Finland.

The Chairman: I have two other questions. First, your countries both have a number of land borders with other countries. Is the regime the same in relation to each of your neighbours? If not, how might they differ, and for what reason? Perhaps Norway will go first on that.

Mr Pål Hellesylt: We have more or less the same regime as Sweden and Finland. As I said, it is a Schengen zone, so the personal control is not there in general. Then we are more or less comparable procedurally with the EU. With Russia, far up north, we just have one border crossing, close to Murmansk. We do not have any specific co-operation there, so we have separate controls on both sides. There is very little commercial traffic.

The Chairman: For the avoidance of doubt, that is a crossing for commercial traffic but is also the only crossing for people.

Mr Pål Hellesylt: From Russia to Norway and vice versa, yes.

The Chairman: And Switzerland.

Dr Christian Bock: Switzerland has five neighbouring countries. First, I want to separate out one country with which we have a very special relationship, the principality of Liechtenstein. As you might know, with the principality of Liechtenstein we have a common customs union and share the same currency. Technically speaking the principality of Liechtenstein, from the perspective of customs, is part of our territory and so there is a very special relationship. We have one border crossing at the border between Liechtenstein and Austria where we are responsible. So we are also responsible for the protection of the Liechtenstein borders.

All the other countries are, of course, countries of the European Union. We have no different regime regarding these countries. Our operations are based on a risk assessment. In the southern part, as Lieutenant Colonel Strässle has pointed out, we have mainly migration issues. That is, of course, different from the north border. The regime is different in the Geneva area, which, from a crime perspective, is a rather interesting hot-spot, than in the eastern part of Switzerland. But there is no difference between the countries.

We have different treaties especially for police and customs co-operation with our different neighbour countries. There, of course, the level of co-operation is different. But we have nearly agreed the same regime with all our neighbouring countries.

The Chairman: I am anxious to bring in colleagues, but I have one final question for you both. Can you compare the logistics of controls as they operate, first of all, at the land borders, which we have been talking about, and, secondly, at the airports, which we have not really touched on as such? In the case of Norway, of course, there are sea ports as well.

Perhaps Norway would like to go first on that.

Mr Pål Hellesylt: The legal framework for customs clearance is comparable for all means of transportation. There are important differences when it comes to the physical infrastructure and what kind of information is provided and when it is provided from the business side. On land, there are special challenges. At the border stations all the trucks have to report, present for formalities and be cleared. So they have to stop. There is not much room at a border station and there are few parking spots. That means a rapid turnaround to avoid queues all the way down to Sweden and stopping on the motorway.

When it comes to the sea, we have advanced information which means that we can better prepare risk assessments and decide whether we will control in advance of a ship coming to harbour.

Airports are a highly regulated environment, and a lot of information is provided by companies regarding both when the planes are coming in and what kind of goods they are bringing. So it is possible to prepare risk analyses and carry out controls when they are landing. We also have room for customs warehouses at airports. This is the main difference between land, sea and airports.

The Chairman: Perhaps a quick question, which I will apply also to Switzerland: in practical terms, is it correct that if you are a business wishing to move goods from, say, Sweden to Norway or the other way, normally there will be no delay if the paperwork is regular and the goods are not exceptional?

Mr Pål Hellesylt: That is correct. The stop on the border is just for a few minutes.

Dr Christian Bock: I do not have much to add, because the customs business is more or less the same, except that we have a sea port, albeit a very small one on the Rhine. Let me add one point that is specific to Switzerland: transit. The traffic that is entering and exiting Switzerland is regulated by European legislation, as we are part of the common transit agreement. I think we are the biggest user of this system. For the transit system, the classic case is a truck entering Basel—this is the experience that you had, Lord Chairman—and then exiting at the southern border in Chiasso. We have a highly automated and efficient procedure at the Basel entry point. Normally a truck has to wait only for 90 seconds. In 90 seconds, all the clearance procedure is done and the truck can then move on. Of course, we do see queues. Every system has maximum capacity, and you will realise this immediately on bank holidays and so on. But as my Norwegian colleagues have pointed out, it is a rather efficient and smooth-running system.

Lord Teverson: I want to get things clear in my mind on the movement of people, particularly in Switzerland. Perhaps Lieutenant Colonel Strässle can tell me this. You are not part of Schengen, but you have very strong Schengen connections. I know that in Switzerland there is all sorts of

politics around that, but I do not want to go into that. I am trying to understand from a UK point of view whether as a European citizen, you are treated on entry as though you are entering a Schengen area, even though it is not? That is what I am trying to understand. Is it effectively Schengen?

Lt Col Rebekka Strässle: If you will forgive me, I must correct you. We are not part of the customs union of the European Union, but we are part of Schengen, and a full member at that.

Lord Teverson: You see yourself as a full member of Schengen.

Baroness Kennedy of The Shaws: Not see themselves; they are. I am very sure that, being at the top of your game, you are already looking into the future. We are looking at this as a possibility for Ireland. You have borders, but can you envisage a situation with no border, but that all this is done in some magical, electronic way? Can you imagine a situation where people just move up and down and somehow you are able to record their movements and know what they are carrying? Can you imagine that being done using technology?

Dr Christian Bock: At the beginning of November, we were invited to the Northern Ireland Select Committee of the House of Commons. I recall a phrase that Rebekka used then: you need either technology or boots on the ground. My personal opinion is that there will always be a border. I see my responsibility as the protection of the Swiss border, whether it is visible or not. There is territory and there is national sovereignty, and it is my duty to fulfil that responsibility.

In the *Guardian* there was a picture from a French/Swiss border post. It was simply a road; you could not see anything. There was one sign saying "Douane/Customs". Even when you do not realise that there is a border, there are controls. This is done either by technical means, and Lieutenant Colonel Strässle has pointed out that we use licence plate readers, or there are other possibilities. We also have mobile controls that are not static but that we move around on both sides of the border. For instance, we have an agreement with the German Federal Police, our counterparts in the security area. We can make common controls, operated by German police officers and Swiss border guards on both sides of the border. Simply having nothing is not an option. You need that replaced by mobility or by technical means.

Baroness Kennedy of The Shaws: You all know the problem that we have in relation to Ireland. There is a long history to this period in our lives, and it was particularly hot in the 70s, 80s and 90s. The peace process has brought that to an end, to the great satisfaction of a very many people, including those who live here in England. There is an anxiety that even those mobile processes at the border could create high levels of anxiety and a sense that people are being surveyed or not being treated the same as citizens here in the UK. The sensitivities are very real. Can any magical mechanism be devised that will not have to rely upon some kind of intervention, especially when it comes to the

movement of people?

The Chairman: We will come back to some of those points, but it might be helpful if we could have a quick response from Norway. We will then have that for future consideration.

Mr Pål Hellesylt: In order to assess this situation, you need a deeper knowledge of the concepts introduced and how it is foreseen that they will be carried out; than what we can read out of the UK Government's position. I am not in a position to assess the possibilities but can discuss what is carried out in more general terms. Of course, technologically a lot is happening. In Norway we are in the process of rolling out licence plate recognition on all border crossings and also where there are no offices in place. This is just one step on the way to having more information from sensors that we can process and use in the future clearance of goods.

Baroness Falkner of Margravine: I want to address my question to our Swiss guests. I frequently cross through Switzerland, coming from southern Germany through Konstanz and down to northern Italy. I would never know the difference, except that the cakes are very good in Switzerland—so we always stop for coffee in Switzerland and not on either side. To get back to the question, it feels completely seamless, but from what I understand from your previous response, a lot of that is due to the co-operation you have with the German customs and border control. I want to know whether you have a formal treaty with them or whether it is just part of Schengen. What did you do before Schengen? It seems to me that, even at that time, it was very simple to go from one to the other.

Dr Christian Bock: With all neighbouring countries we have police co-operation treaties, and our operations are based on these kinds of treaties.

Baroness Falkner of Margravine: So it is as simple as that: it is possible to do it through police co-operation treaties.

Dr Christian Bock: This is only one element. You need a tool-box. You need technical means, mobility, surprise and in some situations you must be there and you must be visible, especially in a migration situation. It was pointed out that last year was a quiet year for us, but you may remember the images from Como that were screened on TV in 2016. There, you need a presence; you must be there and you must be visible. To give you another example, after the terrible Bataclan attacks, we had to be visible at the border. You need a tool-box of different elements, which you use based on a risk assessment.

The Chairman: We must move on.

Lord Whitty: Very briefly, so that we can compare it with the Irish border, how many crossings are you talking about? As I understand it, most of the Swiss border is in fairly mountainous country, as is the Norway/Sweden border. In Ireland there are 200-plus road crossings. Do

you have anything like that number?

Dr Christian Bock: On a daily basis we have 2.1 million crossing.

Lord Whitty: I mean the number of crossings on different roads.

Dr Christian Bock: We have 120 official border-crossing points, and you can multiply this number to include the non-official crossings where you can simply cross the border on a road.

Baroness Brown of Cambridge: Apologies, as this is probably something that I should know, but one big concern in Ireland is around not having the European Arrest Warrant and the ability of police to follow people over the border under co-operation agreements to arrest criminals on both sides. Do you have those agreements with all the countries that you border in Switzerland, for example?

Lt Col Rebekka Strässle: Yes, that is regulated by Europol and you can accede to that, even if you are not a member of Schengen. We also have what we call customs and police co-operation centres, which are situated right at the border and which give you the possibility to go in hot pursuit if that should be necessary or to alert the authorities on the other side of the border.

Mr Pål Hellesylt: Norwegian customs does not have that competence. That is solely for the police to handle.

The Chairman: The message I am hearing is that if I were—that is the hypothetical in English—contemplating a bank robbery on the basis of being able quickly to get over the frontier from, say, France to Switzerland or Sweden to Norway, it would not be a very wise stratagem on my part, even now. People can feel that it works, and it is possible to make a workable arrangement. Is that a fair summary?

We will move on now to some of the more technical questions.

Baroness Neville-Rolfe: Good afternoon, and thank you for helping the Committee. I would like to probe on the nature and scale of the customs co-operation with colleagues from neighbouring states. Can you talk a bit about the detail of the issues that you co-operate on and how the relationships have evolved, particularly since the advent of the EU single market? It would be good to start with Norway, because you obviously have a border with Russia as well as borders with the EU.

Mrs Hanne Solgaard Andersen: We have very close co-operation with our Swedish colleagues on many levels, from the general director to the handling officers at the different customs offices. We have a common framework with instructions and guidelines, and we have a formalised joint education. We have a committee that meets once a year and is led by the two directors general. As I said, we have co-operation on many levels and the frequency of the meetings is due to ongoing projects and is regulated in the guidelines.

Baroness Neville-Rolfe: What kinds of issues are you talking about, including with Russia—which, obviously, is going to be different in nature?

Mrs Hanne Solgaard Andersen: The agreement with Sweden regulates almost everything when it comes to the clearance of goods. The discussion is often on smuggling control. We sit together and discuss things, and have guidelines written down. As an example, the amount of money that you can bring into Norway and into the EU is different. We have had some difficulties with that when it was the same customs officers handling both EU and Norway regulations. We sit down together and talk about it and agree how we are going to handle it. It is very concrete.

Mr Pål Hellesylt: I would just point out the special situation that Norwegian customs officers can enforce EU law, because we handle exports out of Sweden and imports into Norway. That is why it is so important to co-operate closely. You also asked about development. The co-operation with Sweden and Finland grew out of the Nordic co-operation after the Second World War on a common administrative and legal basis. It was natural to try to establish the smooth facilitation of trade. Sweden, Finland and Norway entered into an internal market together, with the EEA agreement. When Sweden and Finland joined the EU in 1995, we continued the co-operation. It was not a big change, because the general principle of import and export handling is the same in the EU as it was before with Sweden and Finland.

Dr Christian Bock: The basis of our co-operation with our neighbouring countries is a whole set of agreements and treaties. Some of those agreements and treaties date back to the 1930s and 1940s. They basically regularise how we work together at the border. In addition, as in the case of Norway and Sweden, there are regular exchanges, often at a very local level, to solve the little problems that we have every day. At a regional level, directors responsible for the northern part of Switzerland sit together with colleagues from Baden-Württemberg, for example. At a director-general level, there are meetings every year. There are also other specific forms of co-operation. For example, there is a customs liaison officer in Germany and, for the Border Guard, there is a police liaison officer at our embassy in Berlin. There are police and customs co-operation centres at which police officers, border guards and people in our investigation unit sit together, sometimes on a 24-hour basis, to exchange information. There is a long tradition of very good mutual contacts.

The Chairman: Of course there will be the informal context, as well as the formal meetings. I notice that you are nodding.

Baroness Neville-Rolfe: I just want to follow up on a couple of key issues. First, is smuggling an issue for Switzerland as well? Secondly, how long do you think that it would take us to construct a similar system with an EU 27 neighbour?

Dr Christian Bock: I do not know whether I am in a position to answer your second question. It needs time. Each and every form of traffic is special. Our philosophy is that you cannot train someone only in road traffic and then ask them to work on air traffic. It takes us five years to train a Border Guard agent to enable them to be active in each and every area. On your first question, there are different forms of smuggling. When you buy goods with a value of more than 300 Swiss francs and do not declare them, that is a minor form of smuggling. Of course, there are bigger cases. We have an investigation unit of 150 people. In some cases, we have greater means than the police to be active. It is a bit like the possibilities that exist in other countries. The exchange of information in this area is also extremely important.

Mrs Hanne Solgaard Andersen: The question was how long it would take to build such a system. That is impossible to answer. We have had 50 years of very good co-operation with Sweden; it is more than 50 years since we signed the agreement with Sweden. Co-operation develops. I do not dare say how long it would take.

Q115 **Lord Teverson:** We are particularly interested to understand in what ways your border arrangements are determined by the nature of your countries' relationships with the single market and the customs union. I am particularly interested in Norway, which is part of the single market but not part of the customs union. How does that affect fish and agricultural products in particular? There is also the whole area of phytosanitary checks. Presumably you have to get involved in local content rules, as you are not part of the customs union, even though you are part of the single market. How is that resolved? What do you see as the advantages of being outside the customs union while being in the single market? I know that you are outside of fisheries and agriculture. Is that the reason, or are there other advantages that we might look forward to?

Mr Pål Hellesylt: When it comes to agriculture and fisheries, the main point is that the EEA agreement allows Norway to have customs tariffs on those products, otherwise we have zero customs duties with the EU. The rules on import and export are the same, so we handle those products in the same way as we handle other products. The single market means that we have a common set of standards on goods in general and on product safety. You mentioned phytosanitary checks, veterinarian controls and so on. Those mean that we do not have to have the same level of control in relation to those standards at border crossings. The fact that we are part of the single market makes it simple to import and export products and to have a free flow of goods in principle.

Lord Teverson: I should know this, but is phytosanitary covered by the single market? Do you have to have the same standards because of the single market?

Mr Pål Hellesylt: The single market has a lot of standards on goods, as was mentioned—food safety, product safety and so on. It is more a

question of imports from third countries where we have those kinds of structured controls.

Dr Christian Bock: It is important to see that, in most areas, the Swiss and the EU rules are similar, even though we are members neither of the customs union nor of the European Economic Area. For us, a product that complies with EU rules in most cases also complies with Swiss rules. In some cases, the rules are equivalent. The issue is about whether a product meets EU rules and, at the same time, Swiss rules.

Baroness Browning: My question is about manufactured goods. Is it the case that on the Swedish-Norwegian border and on the Swiss borders with EU countries there is quite a rapid exchange of products one way across the border for one process and back the other way for the completion of the processes? Our experience with the border between Northern Ireland and the Republic of Ireland is that for some products, particularly agricultural ones, there are three or four key components of the process and the product will go across the border and come back again, with the finished product perhaps going back yet again. Do you have that sort of movement in manufactured goods across the borders? Are there particular rules that allow that to run smoothly?

Mr Pål Hellesylt: On the Norwegian side, we do not have a huge amount of highly integrated logistical chains or the kinds of manufacturing procedures that you might have between Ireland and Northern Ireland. Of course, the logistics chain is integrated and there are a lot of just-in-time logistics which need rapid handling when crossing the border. I cannot give a very good example that is comparable with the Northern Ireland situation.

Baroness Browning: What about in Switzerland?

Dr Christian Bock: Yes indeed, we have those cases. Until now, we were able to have some very local and specific rulings, to make life easier. There is also some *marge de manoeuvre*, as we say—room for manoeuvring—in how you interpret the rules, but always based on a risk assessment. We have observed that with the new EU customs code, the regime is getting stricter and stricter. In some areas, it is a one-size-fits-all code which applies to every country outside the EU. As you can imagine, some countries differ and we see that this room for manoeuvre is getting tighter and tighter. Yes, it is possible if the parties on both sides have the will to find flexible and sometimes creative solutions. You can find them because it is a necessity. When you look at the geography, in some cases you have to cross another country because the road crosses it. There are also many Swiss farmers who have farmland in Germany and France. They cross the border each and every day, so yes, there are flexibilities.

The Chairman: Do you get much public comment on that from areas close to the border about potential inconvenience? You may have displayed as much flexibility as is required in the circumstances but if there were some tightening up, as you suggested there might be in

relation to agreements between the EU and third countries, would you get a local complaint in a part of Switzerland that was very close to Germany? Are you aware that there will be friction at some points for people? It may be the time factor but it could be the regulatory regime as well. Do the locals ever find themselves unhappy at this?

Dr Christian Bock: I would say that I get two letters addressed to me personally per month and normally those issues can be solved. Most of the issues really are solved on a local level. In our regional organisation, we try to have a very pragmatic approach: pick up the phone, talk to the people and invite them to look at the problem. We ask "How can we find a solution?" and in most cases we are able to find solutions, at least to explain why we are behaving in a specific way.

The Chairman: I ought to tell you both that I live about 300 metres from an administrative boundary and have done so for 50 years. We do find answers but in that case we do not have to deal with a different international regime, of course. If it is all right, Lord Teverson, I think we will pass on to Baroness Armstrong.

Q116 **Baroness Armstrong of Hill Top:** Hello and welcome. You may feel that you cannot really answer this question but I am going to ask it anyway. How do you think that the UK's border arrangements with its EU neighbours will need to change, given that the Government have said that they do not wish the UK to be in the customs union or the single market?

Mr Pål Hellesylt: From our perspective, it may be relevant to see how this works in Norway and what the international standards are. It is fair to say that common international practice is that you apply some form of import and export declarations, with the information that is used to assess VAT, excises and customs duties, et cetera. You also do a risk assessment for financial fraud and harmful or dangerous goods. That is more the general international way of doing it, as it is to report when you pass the border. What form of future customs regime the UK will find, I would not really try to assess, although it is—

Baroness Armstrong of Hill Top: Difficult, I think is the answer.

The Chairman: The official word is perhaps "challenging". Can we have the Swiss thought on that too?

Dr Christian Bock: I think it would be highly unfair to judge a situation with which we are not familiar but let me add one point. Please do not forget that customs are always done on both sides of the border, which means that for products imported into the United Kingdom, you are the master of your import process. Even if you say "We don't have any controls, so please send everything to our country", there is an export process at another border. The same applies when you export. You can say "We have no export restrictions—no statistics at all, nothing", but there is an import process at another country. This should be kept in mind. You may be master of your imports or exports, depending on the

flow of goods, but there is always another side which should operate smoothly.

I think we have both tried to point out that for such a process at the border to run smoothly, you need some sort of experience. In our cases, it runs that well because these are neighbouring countries which we have been dealing with for over 50 years, in many cases. I have said before that we have about 30 to 40 agreements. We were just in the process of identifying these agreements, and I can tell you that it was quite complicated to find the old agreements because it is such a perfect world. So after many years of experience, in some cases you do not know why you do it but it simply works.

The Chairman: Thank you. Have you had much input from the UK of persons, whether official or otherwise, coming to see you and saying “Oh, that’s how you do that” or “One might think about doing that”?

Mr Pål Hellesylt: We have had quite a few visits, both from the Treasury and from Keir Starmer, who was at the border between Sweden and Norway to see how it works in practice. There continue to be quite a few visits there, which of course we try to accommodate.

Lord Chairman, could I make one follow-up on your question? One point that is important for the administrative burden in the future is whether the UK will end up as part of a common security area. We have today the EU, Switzerland and Norway as part of the same common security area. If the UK should choose not to be part of that in the future, there will probably be a kind of obligation to pre-notify all exports and imports, which would be an additional burden for the business side—both on your side and for the business side in the EU, Switzerland and Norway as well.

The Chairman: Any comments from Switzerland on imports? If not, that is judicious. We all need to move on anyway, if you are happy with that.

Q117 **Lord Jay of Ewelme:** Thank you very much for coming today. I want to return a little to the Irish position. A number of us on the Committee were in Northern Ireland and the Republic last week. We criss-crossed the border a bit ourselves and talked to people on both sides of it. It is of course our only land border so, to that extent, it is quite comparable to your border. I do not want to ask how you think it could be resolved, because that seems to be getting into the sort of question that you probably cannot answer. But you talked quite a lot earlier on about risk assessments and their importance. Could you say a little more about how those work and what exactly you are assessing, because they are clearly also relevant in a way to the Irish situation?

Lt Col Rebekka Strässle: Risk assessment is an art form that constitutes several aspects. In our system you have, first of all, a person physically at the border scanning the cars. They will look at what kind of car is coming, who is in the car, what the licence plate is and whether it is taking an unusual route in. It goes back to their experience and what they feel in their gut. Secondly, we have the cameras, which I mentioned

earlier. We can use these to keep licence plate numbers for a certain number of days of people we know should be watched and researched. Thirdly, it is an analysis of the flows of traffic that are going through a certain point at any point in time. For example, you can be in the background, removed from the frontier, perhaps at a roundabout, and you can see who is coming and who has tried several times to come with the same car or two cars following each other. I am sorry if I am not making myself very clear. There is a lot of tactical stuff that can be done.

Lord Jay of Ewelme: Presumably that requires very close co-operation across the border with the force on the other side—day to day, minute by minute, almost.

Lt Col Rebekka Strässle: It is helpful, yes.

Lord Jay of Ewelme: Is that the same between Norway and Sweden?

Mr Pål Hellesylt: It depends on what you are going to assess risk on. If it is commercial transport, we are assessing risk on fraud, not paying your duties or not paying VAT. These are the kinds of issues for the transportation of goods. Then there is a lot of analysis of documents and structured information. When it comes to not-registered transport plates, trying to prevent smuggling and so on, it is very much the same situation as described from the Swiss side.

Baroness Browning: Could I just ask you about the security component to all this risk assessment? For example, apart from what might come through the intelligence services, would you risk assess whether nuclear material was crossing your border?

Mrs Hanne Solgaard Andersen: We use all the information we have to detect smuggling of any kind.

Baroness Browning: I am not asking you to divulge matters of national security. I am just wondering whether that would be a component of the risk assessments that you carry out.

Mr Pål Hellesylt: There are all kinds of restrictions on dangerous goods, and your example is something that we are tasked with stopping. Of course, your example is completely different from smuggling drugs, for instance. You depend on different sources of information. Normally, you do not use structured data to find those kinds of goods being transported.

The Chairman: Does anyone else have any comment on that?

Dr Christian Bock: It is the same with us. We use every source we have. Taking the example of nuclear material, it is also our responsibility to have an eye on this and to use appropriate means to control what is crossing our borders.

The Chairman: I want to close this line of questioning.

Lord Jay of Ewelme: I just want to ask a slightly different question. I do

not want to try to get you to give answers to the Irish point, but if you had no controls at all on your borders at the moment, and then suddenly had to put them on, would you put them on as they are now or would you think about imaginative ways in which you could minimise the extent to which you had controls, for reasons of cost and other reasons? How different would they be?

Mr Pål Hellesylt: I think always when you have a new situation you think differently. You have different concepts and perhaps more creativity than when you have an established system. We are looking into how to modernise our way of handling, for instance, road transport. We are establishing and testing a pilot project later this year, with a goal to have the automatic passing of trucks at the border. Based on early information we know that we need all information on goods and the means of transport and the ID of the chauffeur. We need to get that in advance and do a risk assessment, then we can have automatic recognition of the number plate. In most cases, they will get the green light and we would have an express lane they could use to just pass through. This is our way of thinking. We are trying to find new means to speed up processes.

The Chairman: Is that in a short timescale?

Mr Pål Hellesylt: I would not say that. It is an agile project. We have to learn on the way. It is also dependent on co-operation with the Swedes to have the export part in place. I would be careful about saying that this is something we could implement in the very short term. We have to learn on this.

The Chairman: Is there any comment from the Swiss on this?

Dr Christian Bock: My answer will have two parts. The first part is that I am very jealous of what my Norwegian colleagues have with their Swedish colleagues: collaboration where one customs authority does work for the other. The background to that is to say that my import is your export. It is very interesting to hear that that is possible between Norway and Sweden. The answer we get is that it is not possible due to EU customs legislation. This is something that I would like to implement.

The second part of my answer is that we are actually in the process of doing so. Last year, the Swiss Parliament voted on a huge transformation project for Swiss customs. It is interesting to note that both chambers of parliament favoured this project unanimously, with no abstentions. There was only positive voting and we got a little bit of money—£300 million—for a whole transformation and digitisation of our customs. Our intention is to allow the traffic to flow over the border and to have an automatic control. We would get all the information in advance and stop only that transportation that we need to—I avoid the term “vehicles” because perhaps in the future there will be no vehicles and we will be dealing with drones. With any means of transportation that we have in the fourth industrial revolution, we want to be able to control it and to check it where that is appropriate. We think that, in the future, it might not be necessary to do that at the border. In some cases, yes, we will want to

block it so that it does not enter our country. But there are different kinds of controls. If I only want to know from a customs perspective, not a crime perspective, what it is and whether the taxation is right or wrong, I can check this anywhere in Switzerland, if no crime is involved.

The Chairman: What is the timescale on that project? You have told us that you have political assent.

Dr Christian Bock: In a few days, I will be 50. I hope that I will finish this project by the time I am 60. It will be done over a span of nine years. That is a very long time, but the organisation must be able to cope with such a big transformation project.

Lord Jay of Ewelme: So it will not be ready by 29 March 2019?

Dr Christian Bock: It will be a challenge.

The Chairman: There will have to be an implementation period, perhaps. Perhaps I may ask you what is not quite a political question—it is just to get a response from you. Although you have typically cordial relations with your neighbours, as you have explained—and I hope that they will continue and intensify—to what extent is the way a border works influenced by whether there is a political argument about it? I can think of one country which may affect one of your two countries rather more than others. We were thinking a bit in the Northern Ireland context, where, as you know, people have in the past used the border almost as a focus for disaffection or expressing their political views. There is that side of it—as it were, the personal side; there is also the professional side of it, if people are no longer singing from the same hymn sheet because they do not collaborate as customs authorities. How much more difficult is it if those relations are strained or severed?

Dr Christian Bock: It is very difficult to answer. I think the reality is that we are not greatly affected by political decisions. Of course, we have some open points—I would not call them arguments—with our neighbouring countries, but they are dealt with in a very friendly manner. In reality, we do not realise any tensions. Some problems have to be solved at my level or, in some cases, even at a ministerial level, but, normally, there is the same interest in finding the bad guys and having a good flow of goods.

Mr Pål Hellesylt: We have a long practice of co-operation at our borders. With Russia, we have a long practice of stability. We do not experience any particular problems. We have built a culture of co-operation with Sweden and Finland over a long period. We also have our history from 1905, when we became separate from Sweden. It is difficult to comment specifically on the situation in Ireland/Northern Ireland. But, as customs officials, we are co-operating well and understand our common goal. That is basic to how we work.

The Chairman: That would be important at the professional level as well.

Mr Pål Hellesylt: Yes.

Q118 **Baroness Brown of Cambridge:** You have talked quite a lot about the technological solutions at the border. Perhaps I may ask for a few details. Despite all being in Schengen, do you record the number plate of every private vehicle that crosses the border?

Mrs Hanne Solgaard Andersen: Yes, we do.

Baroness Brown of Cambridge: And you retain that for some time.

Mrs Hanne Solgaard Andersen: Yes, we are allowed to have it for six months. We use it in risk assessments and that kind of work.

Baroness Brown of Cambridge: Is that similar in Switzerland?

Lt Col Rebekka Strässle: Yes, we can keep it for 30 days. Of course, if there is a hit and a liaison to be made on something else that is going on, we can keep it longer.

Baroness Brown of Cambridge: On this vision of the future border for your HGVs, your heavy-goods drones or whatever, will the passage through the border require common technology at every border, or will companies sending goods have to cope with one set of technology at the Swiss/German border and a different set at someone else's? Is there good co-operation about these technological visions for the future across Europe, and is everybody thinking of putting the same kinds of systems in?

Dr Christian Bock: Unfortunately, no.

Baroness Brown of Cambridge: So the Turkish lorry driver who is coming across Europe to deliver something is going to be faced—

Dr Christian Bock: The question is absolutely right. We see it as a problem to enter into technical discussions, especially also with the EU. I know that the EU is discussing some issues, but as a non-EU country we are not included in all of them.

Baroness Brown of Cambridge: And even when we have this entirely technology-enabled border, I presume that you will still have some people at the border and risk-assessed searches, or randomly search one lorry in I do not know how many hundred. Do you still envisage some process like that, or do you think you can do away with all that by taking it away from the border?

Dr Christian Bock: Personally, I love technology—the bot will come—but we cannot replace our work simply by technology. You should use technology to get rid of that work which it is not necessary to be done by a human. All formality checks, for example, should be done by technology. We should use technology to find better cases. However, at the end, we need well-trained police officers or border agents to understand how the traffic is going. So for me, it is a plus. Our analysis has shown that even those countries that are extremely modern in doing customs still need a huge number of customs agents, because, at the end, we need the brain to prepare and complete the risk analyses. You spoke of random checks. Randomness is necessary, but we avoid making

really random checks. We always have a goal behind what we want to search. Those times when we might have said “We’ll search all the red vehicles” are over.

Baroness Brown of Cambridge: Is it similar in Norway?

Mr Pål Hellesylt: We have some co-operation with Sweden through the Norwegian defence research institute and comparable institutions in Sweden. We are doing work on behalf of the customs agencies to see what can happen in the future. There is also a grant from an EU research programme related to customs development which Norwegian authorities are involved in. So we are trying to identify common ways of having new, efficient border crossings. We will then see what comes out of it.

Baroness Brown of Cambridge: Is this a 10 or 20-year future?

Mr Pål Hellesylt: Yes. Our pilot project might be able to find regular action in not very many years, but it depends on what kind of technology we are looking into.

Lord Selkirk of Douglas: If you start from the premise that border controls which are totally static may have increased vulnerability along with a history of troubles, and if you decided to move away from a static position, how would you do it with technological developments?

Mrs Hanne Solgaard Andersen: Today, we have automatic number plate recognition. We use mobile patrol units to control. That is the technology that we are looking at now along the entire border.

The Chairman: Anything from Switzerland on that?

Lt Col Rebekka Strässle: We moved away from static controls not because we believe they are particularly vulnerable—that is a different situation—but because they are not as successful as unpredictable controls. It is for tactical reasons.

The Chairman: That is very helpful.

Baroness Suttie: I think you may have answered this, but I will ask my question anyway so that I can understand it technologically. In Switzerland you have roughly 120 crossings. Do you have licence-plate recognition at every single one of these borders?

Lt Col Rebekka Strässle: Yes, more or less.

Baroness Suttie: That means that you have some kind of camera at every single border, attached to a computer.

Q119 **Lord Whitty:** This covers some of the same ground. As my colleague has said, the premium for the Irish border would be to have no physical presence at the border. Conceptually, at least, we can see how technology could deal with that as far as heavy goods vehicles are concerned, but the idea in Ireland is that smaller vehicles, including vans, would be exempt. There might also be number plate recognition. Would

that work in your countries both for the movement of goods, particularly smuggling, and the movement of people, which we have not really worked out? We have cross-border crime; we have smuggling; we have, these days, people trafficking; and, in Ireland, we have terrorism. Would your system be able to deal with the movement of people if you did not have a physical presence on the border?

The Chairman: You may write to us on that if you need a little time, if that would be helpful. What would you like to say now?

Mr Pål Hellesylt: Again, we do not do systematic personal control, in accordance with the Schengen agreement.

Lord Whitty: But you do have all those problems, if perhaps on a much smaller scale.

Mr Pål Hellesylt: I am sorry to say that it is the police that have that competence. I cannot comment on that.

Dr Christian Bock: We are doing those kinds of controls. You talked about exempting some traffic from controls. I am sorry, but that is an invitation for everyone to use exactly that means. As my colleague has said, you must be unpredictable. That is the important point. I have to repeat what I said: a risk assessment is like a tool-box. You need several instruments. If your aim is to secure a border, you need as many instruments as possible. You will decide, based on the risk situation and assessment and your knowledge, what kinds of tools you use. Yes, in the rural area between Switzerland and France there are other issues, and we have to use different tools from those used in hot-spots where crime rates are higher. This is the important point: if you have a tool-box, you can choose what to use based on the risk analysis.

Lord Jay of Ewelme: One or two of you have mentioned drones during this conversation. How far is the development of drones and the possibility of the movement of goods by drone across borders affecting the way in which you think about customs controls? Is this something that you regard as a plaything for people who can afford them or is it a genuine concern for anybody who is controlling a border?

Dr Christian Bock: I am absolutely sure that this will come. The Swiss post is operating a drone service between two hospitals, one in Lugano and the other near Bern. The moment will come when drones are used for delivery across the border. Maybe drones are not the future, but we have to think technology-neutral. There will be a new form of goods transportation operating 24 hours a day across the border. I need to know what is on that drone and to be able to make that risk assessment at any moment, and to say, "Now you are coming down". This is an important point. What kind of technology will we use? Perhaps drones are not the future and it will be something else. We should think technology-neutral.

Mr Pål Hellesylt: I have nothing to add to that.

The Chairman: At that point, we are moving towards the conclusion of our session. Our witnesses may be interested to know that we had a short attendance from some parliamentary colleagues from Portugal, who are returning to talk to us later. They are following these interesting exchanges.

Do you have any further comments or thoughts for the Committee that you can share either now or later? Is there anything that you would like to ask us?

Dr Christian Bock: Yes, perhaps I may add one point. Of course, we are absolutely aware, after our discussion with the Northern Ireland Affairs Select Committee from the House of Commons, that the Irish situation is very special. Also, based on the discussion that we had with officials from the Northern Ireland Administration, even though you cannot compare the situation of the principality of Liechtenstein with the Irish situation, I think that could be a baseline. It is possible inside Europe for a country which is a member of the European Economic Area to have at the same time a customs union with a third country. Yes, that cannot be compared with Ireland but if there is a creative will to maintain a solution which has been in place for nearly 100 years, there is that possibility. From my perspective, I am a little optimistic for Northern Ireland and for an Irish solution if they have this in mind.

Q120 **Baroness Brown of Cambridge:** Perhaps I may follow up on one point. One issue that the Republic of Ireland has with us is that the UK is a land bridge which significantly cuts down transit times to Europe, rather than things having to go by sea. You obviously have the same in that you are a sort of land bridge across from one EU country to another. Did you say that you have a special agreement with the EU that deals with transit?

Dr Christian Bock: Yes, there is a common transit agreement which includes the EU, with all its members, some Balkan countries, Switzerland and Turkey, I think—

Mr Pål Hellesylt: Norway.

Dr Christian Bock: And Norway, of course. Sorry.

The Chairman: Thank you, that is helpful. I have one final question before expressing the thanks of the Committee—and a negative answer or follow-up letter is entirely understandable if you do not want to answer now. As we embark on this change of status, as yet not negotiated, is there any one pitfall that from your experience we really should avoid doing?

Mr Pål Hellesylt: I would just refer to my comment on the safety and security arrangement. From a business perspective, if the UK will be within the common security area with the EU, Switzerland and Norway, that would be an advantage.

Dr Christian Bock: Do not have the expectation of controlling 100%. Make a risk assessment of 100% and control as little as possible. I can

share the figures with you: we check between 1.5% and 2% of all goods physically.

Lord Liddle: You mentioned a common security area twice and I was not quite clear what you are referring to. When you say that if we are all members of the common security area it will all be a lot easier, what common security area is that?

Mr Pål Hellesylt: The EU, Switzerland and Norway have agreements—a Norway/EU bilateral, a Switzerland/Norway bilateral and another that is Switzerland/EU—stating that you do not have to have a pre-notification for imports and exports, which you would otherwise have. When you send goods from the United States to the EU, you have to pre-notify a lot of information, in addition to the regular declaration of goods and manifest information on the transport. It is additional information that you have to send early in the process.

Lord Liddle: That is very clear, thank you.

The Chairman: On that note, I express the thanks of all the Committee for a most illuminating session. It seems that you have blended very well the conceptual picture, which is important, and a clear operational grasp of the details. Please feel that this is a continuing relationship; if you want to share thoughts with us or if things develop, we would be delighted. Just by way of a formality in thanking you—more than a formality; we are delighted—we confirm that we will send you an uncorrected transcript for you to comment on any errors. But what you have told us has been immensely helpful and very practical. We are very grateful and look forward to continuing contact with you. Thank you very much. That concludes the formal session.