



Select Committee on the European Union

Uncorrected oral evidence: The Protocol on Ireland/Northern Ireland

Tuesday 28 July 2020

4 pm

[Watch the meeting](#)

Members present: The Earl of Kinnoull (The Chair); Baroness Brown of Cambridge; Lord Cavendish of Furness; Baroness Coultie; Baroness Donaghy; Lord Faulkner of Worcester; Lord Goldsmith; Baroness Hamwee; Lord Kerr of Kinlochard; Lord Lamont of Lerwick; Baroness Neville-Rolfe; Lord Oates; Baroness Primarolo; Lord Ricketts; Lord Sharkey; Lord Teverson; Lord Thomas of Cwmgiedd; Baroness Verma; Lord Wood of Anfield.

Evidence Session No. 4

Virtual Proceeding

Questions 32 - 47

Witness

[I](#): Robin Walker MP, Minister of State, Northern Ireland Office.

USE OF THE TRANSCRIPT

1. This is an uncorrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.
2. Any public use of, or reference to, the contents should make clear that neither Members nor witnesses have had the opportunity to correct the record. If in doubt as to the propriety of using the transcript, please contact the Clerk of the Committee.
3. Members and witnesses are asked to send corrections to the Clerk of the Committee within 14 days of receipt.

Examination of witness

Robin Walker MP.

Q32 **The Chair:** Welcome back, Minister. You have been a regular in front of the European Union Committee during these Brexit years, with various hats on. It is a great kindness of you to come this afternoon, as I know that you are amazingly busy. I hope we have returned the compliment, because a full house of the Committee is ready to interrogate you.

This is a public evidence session of the House of Lords European Union Committee in the virtual House of Lords. It is being broadcast and there will be a transcript. We will send it to you and we would be grateful for any corrections to it in due course.

The way evidence sessions take place in the virtual world is very slightly different from the normal way. I will call Members in turn, and each Member will have up to four minutes to ask their questions of you. I will then call the next Member. At the end of regular time, because not every Member can have a question in that time, we will have a little extra time for supplementary questions. Five Members who will not be asking questions in regular time have asked to have their four minutes in the supplementary time. I think we will conclude at about 5.15, if that is convenient for your diary, but I will warn you how we are doing later in the session so that we can debate how we continue.

That said, perhaps we could go straight into some structural issues all round. Could you begin by outlining the Northern Ireland Office's formal and informal responsibilities in relation to the protocol on Ireland/Northern Ireland?

Robin Walker MP: Thank you for the opportunity to give evidence today. It is a pleasure to be back before this Committee. There have been a few visits in previous roles and at previous times, and I am grateful for the opportunity to give evidence.

The Northern Ireland Office has a number of constitutional roles relating to the protocol. The Northern Ireland Office plays a leading and distinct role as part of the cross-government efforts to implement the protocol, promote the long-term future of Northern Ireland within the UK, and ensure that Northern Ireland benefits from FTAs with the EU and the rest of the world.

The Transition Taskforce in the Cabinet Office is responsible for delivering and co-ordinating overall implementation of the withdrawal agreement and protocol across government, but the Northern Ireland Office has wider responsibilities in relation to ensuring the smooth working of the devolution settlement in Northern Ireland. We bring that perspective to bear to cross-government work, as policy and delivery plans are developed and put into place.

We also have a specific and leading role in overseeing the implementation of Article 2 of the protocol—the so-called dedicated mechanism—which commits the UK Government to ensuring that there will be no diminution

of certain rights and equalities protections in Northern Ireland as a result of the UK's withdrawal from the EU. That is something I started working on during my time as a DExEU Minister but have been able to continue to progress over the last year at the Northern Ireland Office.

I know that the main focus of your inquiry at the moment, and the report that you produced, is on engagement with business. In that regard, we engage day in, day out with business very much as part of our core business in the Northern Ireland Office. The Secretary of State and I generally try to alternate visits, overlapping one week at a time. We engage with business regularly.

We have been listening to the views of business on the protocol and feeding those into the central government process for years, certainly throughout my time at the Northern Ireland Office. We have stepped that up in recent months with the dedicated business engagement forum that has arisen from the protocol. I am happy to go into more detail about that in answers to further questions.

The Chair: We will come to that in due course. As a matter of clarity, you mentioned that the Cabinet Office was taking the lead, but what are the other main ministries that you deal with over the protocol, apart from the Cabinet Office?

Robin Walker MP: There has been regular engagement with the front-line ministries that will be engaged with the process. Clearly, there is the Cabinet Office, but also the Treasury and Defra. The business engagement forum has been an opportunity to engage some Northern Ireland businesses directly with some of the key policy officials at those departments, so that they can pick up on the views and concerns coming from Northern Ireland business. Those are the ones at the forefront of the process at the moment, but it is also part of our role to engage across the board with government, with DIT and other departments that are engaged in the Brexit process, such as the Foreign Office.

We will be managing the process of getting businesses in front of the right people and trying to get the view of Northern Ireland businesses heard by all the departments involved. As you, know, this is very much a cross-government effort.

The Chair: I will come back to that in a second. Is there any way you can help us to understand the guiding rationale for who did what? You mentioned quite a lot of ministries. How do you split that up?

Robin Walker MP: As you know, in my previous role I was at DExEU, which had responsibility for the first stage of the negotiations with the EU and was co-ordinating in a cross-government manner. That department has come to an end, and responsibility for co-ordinating the approach and taking the lead on the Transition Taskforce has passed to the Cabinet Office. It is then for the individual government departments related to certain parts of the process, whether it is HMRC on customs procedures and arrangements or Defra on SPS issues, to take their own

responsibilities. Of course, at the Northern Ireland Office, as a territorial department we make sure that the interests of Northern Ireland are engaged with and respected, and that its place in the union is protected. That is very much part of our role in government more generally.

With regard to the protocol, we have specific constitutional responsibility for supporting the working of the devolution settlement in Northern Ireland, and for seeing through the Article 2 commitments in the dedicated mechanism.

The Chair: Going back to that large number of ministries, could you describe how, in a joined-up way, you are able to interact and ensure a joined-up approach? Is there a weekly meeting? How do you make sure that all the ministries know what is going on?

Robin Walker MP: The process across government is co-ordinated in the XO and the XS committees. Both Brandon Lewis and I regularly attend those committees, which fit into the policy-making process across government. There is also a series of ad hoc discussions between us as a territorial department and the individual government departments involved.

What I think the business engagement forum has added to that, and where your report was right to highlight the need for further business engagement in this respect, is the ability to get directly to some of the policy officials working on the technical detail, so that they can hear directly from Northern Ireland businesses about their concerns and interests. That has been useful to make sure that the process is not just going on at a very high theoretical and political level, but in the detail of policy as it is being developed.

The Chair: That is very helpful.

Q33 **Lord Sharkey:** My question is in two parts, Minister. First, what contribution is the Northern Ireland Office making to the development of the Government's position on the protocol, as set out in the Command Paper and subsequently? Secondly, to what extent is the Northern Ireland Office involved in, or contributing to, discussions in the UK-EU Joint Committee, the Ireland/Northern Ireland Specialised Committee and the Joint Consultative Working Group? Could you give us an update on the work of those bodies as well?

Robin Walker MP: To answer your first question, the Transition Taskforce in the Cabinet Office is primarily responsible for delivering and co-ordinating the overall implementation of the withdrawal agreement and the protocol across government, but we feed into them both through the feedback that we gather from Northern Ireland businesses and through our wider constitutional role for Northern Ireland.

The Northern Ireland Office has wider responsibilities to ensure the smooth working of the devolution settlement in Northern Ireland. We bring that perspective to bear as policy and delivery plans are developed and put into place. As an example, we speak constantly to businesses in

Northern Ireland. We are able to feed in their detailed views as to what unfettered access should mean, what the practical implications of different aspects of the protocol might be and the relative importance of taking a light-touch approach and the protection of the status of Northern Ireland goods.

We also engage closely with and work alongside the Department for the Economy and the Executive to promote the interests of Northern Ireland businesses. We have regular discussions with them, and indeed other departments in the Executive, on the workings of the protocol and the importance of unfettered access. Another example is that DAERA has a key interest and would be a department we talk to regularly in that space.

You asked about the workings of the Joint and Specialised Committees. We feed into the Cabinet Office on them, but the Transition Taskforce and the Cabinet Office have the lead as regards actual attendance at those committees. As you know, we made the commitment, which has been followed through in meetings of the committees so far, that, whenever there was a discussion at which the Irish Government were present on matters relating to Northern Ireland, the Northern Ireland Executive would also be able to take part. That has been the case in the meetings of the committees to date.

Let me double-check about their meetings. I will have to look into my brief to give you the background on the meetings that have taken place to date. The Withdrawal Agreement Joint Committee has met twice so far. That was on 30 March and 12 June. The Northern Ireland Specialised Committee met on 30 April and 16 July. There is due to be a further meeting of the Joint Committee in September.

Lord Sharkey: Thank you. That was very helpful.

Lord Wood of Anfield: Minister, I want to ask you more specifically about the Joint Consultative Working Group. Could you give us a sense of how it works? It is slightly opaque from the outside. How exactly does it work? What is its *modus operandi*? If you could give us a flavour of that, it would be very helpful.

Robin Walker MP: At the Northern Ireland Office, in the work we are supporting, we have been trying to ensure that the Executive get input to the process where there are specific equities, and the approach on that; and that the business community gets input. We have done that primarily through the business engagement forum, which, as I said, was set up following the Command Paper in May and has met a number of times during the period since then through June.

I do not have direct responsibility for the Joint Consultative Working Group, which is managed through the Cabinet Office, but obviously we, as the Northern Ireland Office, want to make sure that the Executive are properly plugged into it and that the voice of business is heard as part of that.

Lord Wood of Anfield: On the general question you raise at the end about the voice of business, one of your key jobs is to connect Northern Irish business with the Whitehall process. I am sure you are aware—it is your daily life—that Northern Irish business representatives and companies are quite unhappy about both the pace of decision-making and the lack of clarity about arrangements.

Can you describe how you enable business to feed into the various committees that Lord Sharkey mentioned? What is the mechanism by which businesses have their voice heard? I am not trying to be partisan, but it is clear from Northern Ireland businesses that they feel that their voice is not being heard at the moment. How do you try to overcome that sense of distance?

Robin Walker MP: I absolutely recognise that business will always want as much detail as possible as early as possible, and that this is a process in which we cannot necessarily provide all the detail that everyone would like on day one. We have to ensure that the voice of business is heard and fed into the process. We also have to make sure that we do not give any misleading information on things that have not necessarily been fully bottomed out and agreed. As you will appreciate, and as you will have heard from my colleagues in the Cabinet Office, there are elements of the approach to the protocol that still require agreement at the Joint Committee, and it would be wrong for us to imply that those were fully decided.

To date, we have pushed for a clear statement of policy from the Government on the things where we are in control, which we have through the main Command Paper, and on the further detail, particularly on the commitment to unfettered access in the recently published White Paper. We must then ensure that businesses have the opportunity to engage directly with the policy officials in the respective departments who are dealing with the issues on the implementation of the protocol. They will primarily be policy officials in HMRC and Defra who are looking at the detail of how arrangements work.

It is important that we have done that and that we continue to feed in at a political level. I recognise, particularly at the time when you met a number of business groups, which was ahead of the setting up of the business engagement forum, that there was particular concern about the lack of detailed engagement on the detail that they had had to date.

I think that has been improving. Certainly, a number of the businesses that have taken part in the business engagement forum to date have welcomed the detailed discussions they have been able to have. I absolutely recognise that this is a process where we have to keep business involved. We have to keep coming back to business with more detail. There will be more guidance in the coming weeks, and I am keen to make sure that it is as detailed as possible. Crucially, we need to make sure that the process of the Joint Committee reaching agreement on these things is able to move forward, and business always needs to be heard loud and clear in that as well.

Q34 Lord Cavendish of Furness: It is good to meet you, Minister. May I ask you to expand on the information you have most helpfully supplied in respect of the liaison you have with various bodies in relation to the protocol? I have in mind the Northern Ireland Executive and political parties, and I would especially welcome some amplification on your liaison with the Irish Government.

Robin Walker MP: That is a very important part of the process. We continue to engage regularly with Ministers from the Northern Ireland Executive on a range of matters pertaining to the protocol, free trade agreements and indeed the wider economic recovery from Covid-19.

We have good relationships with Executive Ministers and work constructively with them. I was on a call earlier today with Diane Dodds, and I will attend an IMG tomorrow with Defra and DAERA, looking at some of their specific issues. As well as regular contact between the NIO and the Executive, the Executive attend meetings of the UK-EU Joint and Specialised Committees when Northern Ireland matters are being discussed, and when they are attended by the Irish Government, as well as meetings of the Joint Ministerial Committee on EU negotiations.

The Withdrawal Agreement Joint Committee, which I have already covered, has met twice already and is due to meet again in September. Those formal structures complement the ongoing engagement between other government departments and their Northern Ireland Civil Service counterparts, something we are always keen to facilitate and that we frequently take part in.

Beyond the Executive, the Secretary of State and our officials regularly engage across Northern Ireland on protocol issues. The Secretary of State has regular meetings with the leaders of the Northern Ireland political parties and the Minister for Foreign Affairs in the Irish Government.

We look forward to working with the new coalition Government in Ireland. The role of the Irish Government, our nearest neighbours, is very important for political stability in Northern Ireland as well as for the workings of the protocol. Their part in working with the political parties in Northern Ireland will continue to be invaluable, as we have seen in the contribution they made to reaching the New Decade, New Approach deal and the restoration of devolution in January.

Clearly, we are working with a new Irish Government. They have been very keen to engage positively on the issues, and to have a constructive relationship, which is certainly something we welcome.

Lord Cavendish of Furness: Thank you, Minister.

The Chair: Thank you. Can we move to Lord Faulkner? Lord Faulkner, you are muted.

Robin Walker: A very unusual situation.

Q35 **Lord Faulkner of Worcester:** I have already confessed to the Committee, Minister, that you and I know each other.

Can I take you back to the business engagement forum? You have confirmed that the Northern Ireland Office has lead responsibility for engagement with the business community in relation to the protocol. Can you tell us about the membership of the business engagement forum, how it works and its schedule of meetings?

Robin Walker MP: Sure. I gave some information to the Committee as part of the written evidence ahead of this session, but as a department it is important to set it in context. The business engagement forum is additional to the engagement we were already doing as a department. As part of our normal course of business, over the last year, since I have been in the department, we meet very regularly with businesses and business representative organisations across Northern Ireland. More recently, we stepped up that engagement, specifically on the protocol, with the creation of the dedicated business engagement forum.

We lead on that. It is a means through which Northern Ireland's business representatives can engage with the UK Government, put forward proposals and provide feedback on how to maximise the free flow of trade. The forum was committed to in the 20 May Command Paper and has so far met nine times since its launch in June. I think when I wrote to you I referred to seven meetings; there were two further meetings last week. The Secretary of State chaired a number of those meetings, and I chaired a number of others. Officials in the Northern Ireland Office, and right across government, speak constantly with Northern Ireland businesses and business representative organisations outside those formal discussions as well.

Meetings of the engagement forum have enabled us to focus on specific issues, such as the movement of agricultural goods from Northern Ireland to GB, or from GB to Northern Ireland, and we have been able to pull in relevant stakeholders and relevant businesses in the sector for that discussion. It has met on nine occasions so far. Some of the key discussions that we have been having are with regard to HMRC processes and how they can be as light touch as possible with regard to phytosanitary measures and the arrangements with regard to the definition of Northern Ireland goods.

For each of those, we have tried to bring together a selection of businesses with a relevant interest in those areas. It is important to recognise that there are lots of businesses in Northern Ireland that may not be very large but might have a particular interest in one particular aspect of the trade. Equally, some very large businesses, which also have operations in Great Britain, have a very strong interest in securing unfettered access in both directions from that perspective.

We have tried to get the mix right in the attendance. I am afraid that we do not publish the details of attendance at individual meetings; the numbers of businesses engaged have varied from up in the 20s down to

eight to 10 for more specialised meetings. It has been quite useful to bring specific expertise for the specific subjects of meetings.

Lord Faulkner of Worcester: If you do not publish the attendances, do you object if businesses themselves decide to make statements at the end of the meetings?

Robin Walker MP: We always say to businesses that obviously the contents of the discussions are confidential, so we would not want them to talk about the detail of the discussions we have had, but they are very free to publicise their attendance at the forum. We think that is a sensible balance to strike.

Lord Faulkner of Worcester: What schedule of meetings do you have planned for the remainder of this year?

Robin Walker MP: I will have to consult my brief. I know that there are a number of meetings planned over August and September. What we have been able to do so far is to bring in meetings where they relate to a specific announcement or approach—for instance, the publication of the White Paper.

Looking ahead, there are a number of all-sector meetings planned during August. It looks like five or six of those. There are further meetings planned in September as we come forward with more detail. I would expect that, as more detail is published, we will be able to call a meeting to discuss specific guidance or a specific element of legislation and bring in more businesses with a particular focus on those issues.

Lord Faulkner of Worcester: Are you engaging with other stakeholders beyond the business community, too?

Robin Walker MP: Yes, absolutely. A very important part of our role in the Northern Ireland Office is to engage with a full range of stakeholders in Northern Ireland on behalf of the UK Government. Where they have a particular interest in the protocol, such as in the human rights space with the dedicated mechanism, for instance, we have been leading on that engagement.

Where I would slightly draw a distinction is that the business engagement forum has been created specifically to answer a need and a clear requirement for business for a step up in the level of engagement in that space, as is reflected in your Committee's report. That is something we are very keen to provide. We also think it provides a useful channel into policy-making for other parts of government.

Lord Faulkner of Worcester: Thank you very much.

Q36 **Lord Oates:** Minister, could you tell the Committee about the principal concerns that have emerged during your discussions with Northern Ireland business and how you are addressing them?

Robin Walker MP: As you have heard from Northern Ireland businesses, there is a desire to have as much clarity as possible on the detail of what unfettered access means, and how we will ensure that there are minimal processes in relation to trade, both with the EU and the island of Ireland and with the UK. The range of engagements that we have had to date reflects the desire for as much detail as possible. We are trying to make sure that that is also a focus in the approach that is taken with legislation.

As to the key priorities for Northern Ireland business, agriculture is a hugely important part of the Northern Ireland economy. Measures to ensure the continued smooth flow of agri-food products through Northern Ireland points of entry are a priority, as is protecting the status of Northern Ireland products and the fact that they are accepted in both the UK and the Irish market.

Clearly, people want to see more detail on the movement of goods from Northern Ireland to Great Britain, and the absolute assurance of unfettered access in that space. We have been able to reassure, as indeed does the White Paper, that this is very much in the gift of the UK Government and will be addressed through legislation.

Businesses want the element that is still a work in progress with the Joint Committee and the EU: absolute certainty that the arrangements will be seen in the same way by the parties to the broader FTA negotiation. We are very keen to make sure that business asks are made clear to our colleagues who are conducting that process, and that we always have the views of business in mind when they are conducting it.

Lord Oates: Could you tell us a bit more about the specific concerns? You mentioned clarity in general, but what specific concerns does business have, particularly about the movement of goods from Great Britain to Northern Ireland, including the definition of goods at risk?

Secondly, there is the issue of movement of goods from Northern Ireland to Great Britain around exit summary declarations and the retention of unfettered access. Are there specific areas of concern there, and have you been able to address them?

Finally, on the VAT provisions, one of the things that the businesspeople we spoke to said was that they were getting much clearer information from the European Union than they were from the UK about how the VAT provisions would operate.

Robin Walker MP: With regard to the movement of goods, the interests of Northern Irish businesses are in the most free movement of goods in both directions, but we have to bear in mind that the rest of the UK is both the biggest single export market for Northern Ireland in goods that leave Northern Ireland and the biggest supplier of Northern Ireland. Unfettered access is an absolute priority in that respect. We are making sure that the voice of business is heard directly by our colleagues at HMRC and Defra on those issues.

We set out in the Command Paper that there are some areas where declarations will be required, but we want to do them with light-touch means that involve minimal paperwork—basically, electronic declarations that goods are passing from GB into Northern Ireland and that any checks need not require physical paperwork. I think that is a sensible approach. It also reflects the wording in the protocol about not interfering in the daily life of people in Northern Ireland. That is an important point that we will be making, and that I know our colleagues will be making, to the EU in the Joint Committee when it looks at some of those issues.

We have said that we do not think exit declarations are required, or should be required, for Northern Irish goods going into Great Britain. That is trade within the UK internal market and within the UK customs territory, as the protocol acknowledges. It has no possible means of undermining in any way the workings of the single market. Again, that is something that we need to ensure there is discussion about at the Joint Committee.

Businesses have welcomed the UK's approach. The concern they have raised—this perhaps comes to your point about VAT as well—is that it is not necessarily the same as they are hearing from the EU. That needs to be addressed clearly. We certainly have the views of Northern Irish businesses in mind in the approach that we have taken and that we have set out.

When it comes to VAT, I am afraid I have to slightly dodge the question. I did not chair the particular meeting to discuss VAT issues; the Secretary of State might be in a better place to discuss the detail of that, having chaired that particular meeting. Again, the important thing is that we can use the business engagement forum to get Northern Irish businesses directly in touch with the officials at the Treasury who are working on the approach for that, so that their views can be taken into account for the policy approach. That certainly is something that we will continue to do.

Lord Oates: Thank you. Obviously, we would welcome the chance to speak to the Secretary of State any time he wants to come and talk to us.

The Chair: We will return in the future to VAT.

Q37 **Lord Lamont of Lerwick:** Minister, you have partly answered my question already, so perhaps I could follow up on your answers to Lord Oates. You said that unfettered access was an absolute priority, but is there not a contradiction in the protocol between Article 5 and Article 6? Article 5 applies the Union customs code in Northern Ireland, which would make summary exit declarations essential, while Article 6 gives unfettered market access moving from Northern Ireland to other parts of the UK. That contradiction is there; it cannot just be legislated away if the EU objects to it.

Robin Walker MP: The protocol contains a number of other elements. It contains a clear statement that Northern Ireland remains part of the

customs territory of the UK and that it will be subject to the trade deals that the UK continues to strike. It also contains very important wording about not seeking to interrupt the everyday life of people in Northern Ireland, which builds on the Belfast agreement commitments of both the UK and the Irish Government to respect the views of people in Northern Ireland.

We have to take an approach that is about minimising any disruption. We have set out very clearly, and will continue to set out to the EU, our concern that requiring exit summary declarations does not support the objective of the protocol in protecting the functioning of the EU single market and, indeed, the UK customs territory and internal market. That is a position that it is right for us to take. Certainly, the feedback from Northern Irish businesses is that it is the position they want to see delivered through the protocol. That is, of course, something that we as the Northern Ireland Office listen to and make sure is fed into the process.

Lord Lamont of Lerwick: I am sure you are right that business wants exactly that, but Articles 5.3 and 5.4 apply EU customs law—it is there in black and white—and that includes the Union customs code, which has a requirement for the completion of exit summary declarations. That is a rather awkward thing.

Earlier, you said that you could not see the need for the exit declarations because the goods were going to the single market of the UK, but from an EU point of view it would be necessary in practice to distinguish between goods originating in Northern Ireland or in Ireland, or the rest of the EU. That is why the exit summary declarations might be really important to the EU. What I do not quite understand about the Government's position, if you will forgive me, is how they think they can just legislate that away.

Robin Walker MP: The Government can legislate clearly for the degree of access that we give goods from Northern Ireland and how we define Northern Irish goods. One of the things that we have been consulting with businesses on is how that definition should work. It is important to get the detail of that right for goods produced or processed in Northern Ireland, recognising that there are supply chains that run both from the Republic of Ireland into Northern Ireland and on to the UK and from different parts of the UK through Northern Ireland and back.

Where goods clearly originate or fundamentally are processed in Northern Ireland, we think that the wording in the protocol that makes it clear that Northern Ireland is both part of the customs territory and the UK internal market means that we are free to legislate on that issue, and to legislate, as we have promised to do and have repeatedly made clear that we will, on unfettered access. I am not responsible for that legislation. It will be delivered by the Cabinet Office, but it is something that, as the Northern Ireland Office, we think it is absolutely crucial to do to provide certainty that the UK will present no demands to businesses from Northern Ireland trading within their own internal market and customs territory.

You are right that there are different aspects of the protocol that different people in the Joint Committee will emphasise, but I come back to the basic requirement that is right at the heart of the protocol, which is to make sure that it works to respect the unique circumstances of Northern Ireland. That includes respecting the principle of consent and the fact that Northern Ireland is, by the consent of its people, a part of the United Kingdom.

The Chair: Thank you very much. That was a very interesting section.

Q38 **Lord Teverson:** Minister, I want to stay on the movement of goods over the Irish Sea, but perhaps I could go through a number of short points rather than a long discussion. As I understand it, two methods are being looked at: the pre-lodgement model and the more traditional temporary storage model. I presume that everybody will want to go for the pre-lodgement model, which seems a lot more efficient. I presume that is also the way the Government want to go.

Robin Walker MP: Our approach is as set out in the White Paper. Clearly there is more detail to come in the guidance, and I would not want necessarily to pre-empt that, but of course we want to make sure that there is the lightest-touch process for business and one that, as the protocol itself sets out to do, facilitates trade between Northern Ireland and other parts of the UK.

Lord Teverson: I very much welcome the fact that you are trying to get all the documentation—three streams—into one document through the goods vehicle movement service. I presume that is effectively an IT system. Could you tell us when the contract was put out for that IT system?

Robin Walker MP: I am afraid that I do not have that information. For that type of information, you will probably be better asking the question of the Cabinet Office.

Lord Teverson: The concern, having only really just decided that it is necessary, is about when it might be ready. Do you know if there will be a trial of the system in the near future?

Robin Walker MP: I am afraid, again, that although I am happy to discuss systems and that side of things with colleagues at HMRC or Cabinet Office, I do not have operational responsibility for such things, so I am not best placed to answer those questions.

Lord Teverson: I understand that. It is absolutely vital, as we know that government, and private sector, IT systems are some of the most difficult things to get ready, and we do not have a lot of time.

Perhaps I could come back to one of the other areas that was mentioned earlier: the definition of a Northern Irish good. How movements are documented will obviously depend on how goods are classified. The paper says that you are still waiting to work that out. Rules of origin and all that sort of stuff will be absolutely vital in an economy where a lot of goods go

backwards and forwards across the border before they are exported or come to GB. Do you know when that definition will come about?

Robin Walker MP: We are using the business engagement forum to make sure that the relevant organisations are informed by the views of Northern Irish businesses. Through that, there has been reassurance for HMRC that there should be no need for anything as complicated as rules of origin requirements, as there are for international trade.

We should be seeking to ensure a broad definition of Northern Irish goods, and then legislating in a way that does not require specific detail, such as rules of origin, to be provided for them to transit to Great Britain. The approach to unfettered access should mean that. It should not mean detailed rules of origin requirements and having to break down the full detail of products.

Lord Teverson: But do those not inevitably come about? There are exports directly from the Republic of Ireland coming through Northern Ireland into GB. Depending on the agreement, almost certainly in any free trade agreement—certainly, a light free trade agreement, which is where we are heading—rules of origin will be absolutely fundamental, will they not?

Robin Walker MP: With goods coming from the Republic of Ireland, yes, but we are talking about the approach to Northern Ireland goods, which, as I said, is to have a broad definition of Northern Ireland goods. We have obviously been trying to make sure that the views of Northern Irish businesses are fed in, as part of that discussion, and then to legislate to ensure that those goods can have unfettered access to the rest of the UK market without the requirement to report details of rules of origin. Part of it is understanding, for instance, where a good might come in and be processed, having its original part from the Republic of Ireland, and how we would make sure that was incorporated in a process.

Goods that move from the Republic of Ireland into the UK via Northern Ireland have to be treated potentially differently from goods that are processed, manufactured or produced in Northern Ireland. That would reflect the broader terms of the protocol.

Lord Teverson: I guess that is why it is important to know which is which. You have already mentioned sanitary and phytosanitary checks, which will continue to be important because of the separate epidemiological definition of Ireland. I know there is some of that already, but it sounds as if there will be quite a bit more, particularly in biosecurity from our side. Does that not mean that a bit more import infrastructure will have to come in on the British side, as well as on the Northern Ireland side? Do we have time to do that, and the space?

Robin Walker MP: We have been working collaboratively with the Northern Irish Executive and ports authorities to ensure that any new facilities at ports will be kept to a minimum, in line with our focus on maintaining the flow of agri-food goods and minimising the impact on

ports and airports in Northern Ireland and on Northern Ireland communities. We have been clear that there will be no new customs infrastructure, but where existing infrastructure in Northern Ireland is being upgraded it will be in order to facilitate the smooth flow of goods. There are some plans in progress for a number of upgrades of facilities at the BCPs—the points of entry—at Larne, Warrenpoint and Belfast. Those are now being jointly progressed by Defra and DAERA.

We have discussed at the business engagement forum the approach to goods moving from Great Britain to Northern Ireland. It is an ongoing dialogue. We know that there is more to be done to provide the level of detail which businesses in general, and the freight sector in particular, want to see.

Unfettered access for goods coming from Northern Ireland into the UK is not dependent on the protocol but is in our own gift, and is something that we will be legislating for later this year. There are no plans to step up the inspection of agricultural products coming from Northern Ireland into GB at GB ports. We see those as already meeting our standards. We see our commitment to unfettered access as crucial in that respect for Northern Irish agriculture.

Lord Teverson: Thank you. Could I ask that your colleagues come back on the IT system development? We would be interested in when the trial is taking place, when the contract was put out, how much has already been spent on it and, obviously, an assurance that it will be ready by 1 January. That would be very useful.

Robin Walker MP: Understood. I am happy to pass on those questions on your behalf. They will be questions for HMRC or the Cabinet Office to answer, but I understand the point.

The Chair: I have added that to the list that already has VAT on it. I am very grateful to you for volunteering to be the postman.

Q39 Lord Kerr of Kinlochard: Minister, your colleagues on the Northern Ireland Affairs Committee of the Commons recommended a fortnight ago that business in Northern Ireland must be compensated for the new costs incurred because of the protocol. Do you agree, and what support do you have in mind?

I have a second question. Thank you for explaining how the business engagement forum works. I heard you say that GB companies as well as Northern Ireland companies are there. How confident are you that GB companies, which already know that they will have to fill in three categories of form and will not know until September/October whether the Joint Committee has solved the problem of working out which goods are at risk of going on to the Republic and therefore will pay a tariff, are not going to write off the Northern Ireland market?

I am very concerned. Are you talking to the big stores? Are you talking to Tesco, which has an operation in Northern Ireland? All the extra costs and bureaucracy may make it seem not worth while to them.

There are two questions: first, about business in Northern Ireland and compensation for the extra costs; and, secondly, about the risk of a loss of interest in GB in the Northern Ireland market.

Robin Walker MP: They are both very important questions. In a way, I would almost take your second question first, in that it is a crucial point. We need to ensure that UK businesses can do business all across the UK and that Northern Ireland is an attractive place for them to do business. It is very much part of our role as the territorial Northern Ireland Office to promote Northern Ireland in that respect.

There are aspects of the protocol that actually enforce that. Perhaps that is where we may disagree about the impact of the protocol on the overall costs. The reality is that, through the protocol, businesses operating in Northern Ireland will have unfettered access to the UK market, but they will also have frictionless access to the single market of the European Union. In that respect, there are many who would argue that they will not necessarily be at a cost disadvantage; they could actually be at a substantial advantage in some respects.

The crucial thing is for us to go back to the protocol itself and its express intention to support and facilitate trade between Northern Ireland and other parts of the UK, and to make sure that there is no interference in the daily life of people in Northern Ireland. In the discussions of the Joint Committee—not that I am taking part in those discussions, but if I were—I would be making that point very clearly to our EU counterparts.

The type of situation that you envisage, in which engaging with Northern Ireland would be detrimental for a big retail business, is exactly the type of situation that we would argue very strongly was detrimental to the everyday life of people in Northern Ireland and would therefore go against the express intention of the protocol. That is why it is absolutely crucial that we agree on a light-touch approach that businesses find straightforward.

To answer your specific question on business engagement for retail businesses, yes, a number of the large retail businesses have been engaged in the forum. I do not think I have quite said what you may have thought I said, though, with regard to GB businesses. I said that businesses operating in Northern Ireland that also have businesses in Great Britain are taking part in the business engagement forum.

To date, we have not been focusing it specifically on businesses that operate solely in Great Britain and sell to Northern Ireland. As the Northern Ireland Office, our focus is on businesses with a presence in Northern Ireland. That includes, of course, the big retailers, many of which have a much wider UK footprint.

Lord Kerr of Kinlochard: Sorry, I misunderstood you, Minister. Should you not be talking to GB business? The risk that it rather switches off Northern Ireland because of these costs and complications must be a real one. People feel it in Northern Ireland anyway.

Robin Walker MP: I recognise it is a risk about which people are concerned, but we absolutely have the responsibility to engage with business more broadly through the relevant departments. Where I draw the distinction is that, as the territorial department in Northern Ireland, our focus is listening to and engaging with Northern Irish businesses, including those that operate across the whole of the United Kingdom. There is very important work in that respect, which I am sure is also being undertaken by our colleagues in BEIS, DIT and other departments, to engage across the whole of the United Kingdom on the detail of the protocol, and to ensure that it works for all those types of business.

I absolutely take your point, but within the narrow confines of my role at the Northern Ireland Office, I have to focus primarily on Northern Ireland businesses. Some organisations, however, such as Invest NI, will very much be talking to UK and other international businesses. I suspect part of the conversation they will be having is to sell the benefits of the protocol and where there are actually benefits for business in the protocol in having access both to the UK and to the EU single market in a way that businesses elsewhere in the UK are not necessarily guaranteed.

Q40 **Baroness Neville-Rolfe:** Minister, it is great to see you again and to know indeed that your co-ordination skills and experience of working with business are now being used so well in Northern Ireland.

I want to focus on the detailed guidance that the Northern Ireland Office and the Cabinet Office jointly published on 10 July. It was quite short, although it was called detailed guidance, and was on "Moving goods into, out of, or through Northern Ireland from 1 January 2021". I am keen to understand the purpose of that document.

Secondly, the guidance says that, "until negotiations with the EU conclude, there will be some areas without complete certainty, but full guidance will be provided by the end of the transition period". What is that extra guidance, and how far in advance will it be provided? I come from business, and I know that uncertainty is difficult to deal with, although we are paid to do that.

Robin Walker MP: We are putting out guidance when we can, with information that is agreed or set out clearly from a UK Government perspective. There have been various stages. Clearly, the starting point for the process was the withdrawal agreement itself, and we built on that with the Command Paper and communication around that. The guidance that you are probably referring to will have come off the back of the White Paper on the internal market and the update provided through that. Then there will be further guidance. I am told to expect the next element of guidance within the next couple of weeks.

The point about each of those stages comes back to the fact that there is still a process going on through the Joint Committee. We cannot necessarily provide all the answers to all the questions that businesses want answered until that process has reached its conclusion.

I am as keen as anyone to provide the detailed granular guidance that business wants as early as possible in the process. Not all of that is within my control. We have tried through the business engagement forum to pull in businesses from Northern Ireland, with some of the policy officials who are likely to be producing the end product here, so that they can hear from them directly and feed into that process.

It has also helped in making sure that our colleagues at the Transition Taskforce in the Cabinet Office are plugged into the views of Northern Ireland businesses and the concerns that they are raising, and understand that drumbeat, which perhaps an email or a letter from me might not necessarily get across quite so clearly.

Baroness Neville-Rolfe: That sounds a good process. It is good that there is more guidance coming soon. We will look out for that.

Do you think you should be doing a dummy run—perhaps you are already planning that—and listening both ways to the supply chains that you mentioned? A point was raised about electronic documents. It would be good to work with business on how it would work each way. Does the wi-fi work? Do the documents work? You might find that very helpful in finalising the guidance before 31 December.

Robin Walker MP: That is eminently sensible. It is something that a number of the businesses at the business engagement forum have been discussing with some of the relevant officials. It is one of the things that that kind of plugging together of different organisations can support.

Where I would be a bit wary about a dummy run is that, if you set out a very broad approach on that front, people would assume that whatever it was would be the final outcome. There are risks in that approach. I would prefer to connect the relevant businesses with the relevant concerns directly to policymakers, and make sure that they are listened to. If there are then exercises that can take place, they could take place with appropriate confidentiality on both sides.

Baroness Neville-Rolfe: I agree. I should have said “runs” and not “run”, of course. Lord Kerr asked you about financial compensation for business. I am not sure that you had the opportunity to come back on that. It is a difficult question, but is there any support for that?

Robin Walker MP: More broadly, we are very keen to support the Northern Ireland economy and business in Northern Ireland. The Government have talked about a new deal for Northern Ireland. I am looking forward to working on the detail of that and making sure that we can support Northern Ireland as a place to be competitive and to do business.

I think it is too early to say. Our aim is for the protocol to work in such a way that there should be no requirement for compensation for Northern Ireland business. It is too early to say whether that particular

recommendation from my esteemed colleagues on the Northern Ireland Affairs Committee will require to be followed.

We absolutely recognise that part of our role as the Northern Ireland Office is to make sure that Northern Ireland is a good place to do business. We have some exceptional businesses and businesspeople in Northern Ireland, and I want to make sure that they are very well supported. We are doing that through a number of mechanisms. As you will recognise, the conversation about the protocol is just one of those. We are also having a conversation about city and growth deals and the nature of the devolution settlement itself and where the Executive have certain powers, should they choose to use them, to support the economy in other ways. It is important that we engage across the board to make Northern Ireland as good a place to do business as possible.

Baroness Neville-Rolfe: I could not agree more.

Q41 **Baroness Hamwee:** Minister, in your introduction you mentioned Article 2 of the protocol—people’s rights. Could you elaborate on the Northern Ireland Office’s role, its responsibility and, most importantly, how it is fulfilling that?

Robin Walker MP: As I mentioned earlier, we are responsible for ensuring the smooth working of the devolution settlement in Northern Ireland. We bring that perspective to bear as policy and delivery plans are developed and put in place for the end of the transition period. That responsibility includes reaching out to and maintaining dialogue with civic, voluntary and academic stakeholders, including local authorities, youth and faith leaders, and indeed the human rights community in Northern Ireland.

We have the specific and leading role in overseeing implementation of Article 2 of the protocol, which commits the UK Government to ensuring that there will be no diminution of rights and equalities protections in Northern Ireland as a result of the UK’s withdrawal from the EU. We have made considerable progress on the implementation of Article 2 for the end of the transition period. The legislation is all in place. As it happens, it was legislation that I personally took through in the Commons, albeit in a different departmental role, when I was at DExEU. The practical steps for enabling the commissions—the Equality Commission and the Northern Ireland Human Rights Commission—to deliver a dedicated mechanism are under way.

We started the process—again, I attended it with a different departmental hat on, alongside Lord Duncan—by sitting down with the NIHRC and the Equality Commission for Northern Ireland and talking to them about whether they could take on the role and how, and what they would need to do it. We have now confirmed additional resources commensurate with the needs identified by each commission for their expanded functions as part of the dedicated mechanism.

The additional resources will ensure proper scrutiny of the Government's implementation of the Article 2 commitment, and cover, among other things, new policy and research functions in communications and education activities for the commissions. Over the coming months, we will continue to work with the two commissions on their preparations for operationalising the dedicated mechanism. We will engage in a series of awareness-raising activities, including the relevant stakeholders across Northern Ireland, to ensure that the UK's obligations under Article 2 are well understood.

That is a part of the protocol on which I happen to have been working, by an accident of fate, for a very long time. It is something that I have been very keen to see delivered, and I am glad to hear anecdotally that the progress on it has been acknowledged at the Joint Committee as something where I think the EU side has been perhaps pleasantly surprised by some of the detailed work and preparation that has gone into it.

Baroness Hamwee: Thank you. That is all very encouraging. There is never enough money for these things. I remember hearing Les Allamby at a different committee talk about how they could pursue only one case a year. They have extra resources. Do they acknowledge that the resources are enough for what they anticipate the workload to be?

Robin Walker MP: The resources are very much based on what they identified as the specific needs for putting forward the dedicated mechanism. That is resources for each of the two commissions. They also asked for, and we legislated for, the power to work together in co-ordination in a way that they had not previously been able to do. I think that is all in place.

As you will recognise and as you rightly allude to, the commissions always have a challenge on their resources and will be making their bids to the spending review process. That is something that we are always very keen to support in order, to make sure that they have the resources they need in other areas. When it comes to the dedicated mechanism, we have listened very carefully to them and we think that they have now secured the resources they need to deliver on that.

Baroness Hamwee: You also mentioned civil society groups. Have you actually met them? I sense the Chair wanting to move on—it is a virtual sense.

You mentioned earlier that the Joint Consultative Working Group is managed by the Cabinet Office. The Command Paper on the protocol referred to exploring the scope of a dedicated session of the working group to consider those areas. Has there been any progress on that?

Robin Walker MP: I shall have to write back to you with the answer. I am not aware of a dedicated session on that to date, but I may well be unsighted of it. I will be happy to come back to you, if that is the case.

As it happens, I engaged with a wide range of civil society groups when we were first putting together the policy on the dedicated mechanism, when I was at DExEU, alongside Lord Duncan, who was then a Minister at the Northern Ireland Office. I have subsequently engaged with them on the delivery of some of those things after the publication of the withdrawal agreement Bill and after some of the legislative requirements were met.

In general, the Northern Ireland Office engages with civil society groups in Northern Ireland on different issues. It might be on legacy or other issues, but there has been some dedicated engagement on those issues in relation to the protocol.

Baroness Hamwee: Thank you very much.

The Chair: That was well worth running a bit over time.

Q42 **Lord Thomas of Cwmgiedd:** Minister, in answer to the Earl of Kinnoull at the start and in answer to the last question, you mentioned that one of the responsibilities of your office is ensuring the smooth running of the devolution settlement. I want to ask you about the democratic consent mechanism and requirement in Article 18 of the protocol. What do you think can best be done to lessen the risks arising every four or eight years, depending on what happens?

Robin Walker MP: That is a really important question. You are absolutely right that we have a responsibility to work with and support the devolved Government. Clearly, that has been through some challenges in recent years. I was very pleased to be in the department when the New Decade, New Approach deal was reached. We all recognise that the Northern Irish political context is always challenging with regard to the stability of devolution.

Part of the answer to your question is in the design of the consent mechanism itself. It is right that the future of the protocol remains up to the people of Northern Ireland via their democratically elected politicians, who will decide its fate in a consent vote that takes place every four years. A flexible policy approach has to be taken to reflect the fact that it may not be in place for ever, and to recognise the unique circumstances of Northern Ireland and the central position of the principle of consent.

The design of the consent mechanism recognises that cross-community consent of Northern Ireland's local elected representatives is the best possible outcome. That is why the consent resolution, with cross-party agreement, leads to an eight-year period before the next vote. It is also why, in the event that a consent resolution were to pass with only a simple majority, the UK Government would be committed to commissioning an independent review into the functioning of the protocol, and the implications of any decision to continue or terminate alignment on social, economic and political life in Northern Ireland.

We work closely with the full range of stakeholders to implement the protocol in a flexible and proportionate way that protects the interests of

people and businesses in Northern Ireland, which will be helped by the positive working relationships that we have developed with the Northern Ireland Executive. I put on record our gratitude for the pragmatism that has been shown by the Executive to date on engaging with the issues across parties and across communities. They have brought a pragmatic and sensible approach to the ongoing engagement on that front.

It is very important for both the EU and the UK to consider that the protocol remains in place by the consent of the people of Northern Ireland. That is all the more reason to ensure that it can be implemented in a way that, to quote the protocol itself, “should impact as little as possible on the everyday life of communities” living in Northern Ireland. That aspiration was enshrined in the wording of the protocol, and it is important to bear it in mind with regard to the point about consent.

Lord Thomas of Cwmgiedd: If there is increasing divergence in trade and regulatory matters between the United Kingdom on one side and the EU on the other, how do you see tensions in Northern Ireland, which may be reflected in the consent mechanism, being dealt with?

Robin Walker MP: As with everything in Northern Ireland, it has to be dealt with in a pragmatic way and one that engages with the concerns of the different parties and the different communities. It is important to bear in mind that, with regard to the alignment with EU rules for Northern Ireland, the protocol covers only certain categories of goods. In many other areas, Northern Ireland will benefit from the same regulatory flexibilities that the wider UK has.

It is important that we maintain our absolute commitment to unfettered access for businesses in Northern Ireland to the UK in this context. That is why it has been such an important underlying part of the UK Government’s approach; it is by the principle of consent itself that Northern Ireland is part of the United Kingdom.

Lord Thomas of Cwmgiedd: Thank you very much, Minister.

The Chair: That brings us to the end of ordinary time, as it were. Five members of the Committee would like to ask supplementary questions. That means we will finish at about 25 past rather than a quarter past. I hope you will be all right with that, Minister.

Robin Walker MP: Absolutely fine.

The Chair: It has been a very interesting session so far.

Q43 **Baroness Verma:** Thank you, Minister. You have actually been very comprehensive this afternoon. I want to take you back to small businesses. Their worry, with the pressures of Covid as well, has been preparation, cost and administrative burdens. I know that you have gone to great length to say that you cannot go into great detail, but if they could get a sense of some areas where they need to start preparing it would be helpful.

Do you have a sense of the number of businesses that have decided to move from Northern Ireland across the border and set up their business elsewhere because of the grey area that they are trying to navigate at the moment? I know that those points are complicated and all mixed into one pot, but it is for tidiness of time.

Robin Walker MP: Small businesses are an absolutely crucial part of the Northern Ireland economy and a bigger part of Northern Ireland's economy than any other part of the UK. As you will recognise, their interests in this process are hugely diverse. One of the things we have tried to do through the business engagement forum is to pull in some of the individual small businesses with a real interest in particular areas, such as people involved in the exporting or importing of meat, as well as some of the key small business representative organisations, to make sure that their voice is part of the process.

One of the messages that we have certainly been encouraging our colleagues at the Treasury and other places to look at is the issue of no-regret activity that can be undertaken by businesses, and providing guidance on that at the earliest possible opportunity. That is important. Equally, what we do not want, and should avoid doing, is in any way to concede that there need to be additional barriers when it comes to matters of unfettered access to the UK market. That is where it is important that we strike the right balance between not putting out scare stories that would disincentivise small businesses and getting as much detail to them as we can of the practical implications of the protocol.

I gave evidence to the Northern Ireland Affairs Committee a few weeks ago on movement. The Committee asked for detail on the movement of businesses across the border. We have come across some examples of businesses that operate on both sides of the border and may have moved elements from one side to the other. We came across some examples, particularly towards the end of last year, where businesses did some contingency moves on the basis of the risk of no deal. I have not come across individual examples of businesses that have actually moved during this period, and as a result of this period.

We all recognise, I think, that there are other pressures on business both in Northern Ireland and in the Republic at the moment, with the Covid situation. The type of businesses that you are talking about, particularly the small businesses, tend to be very much based in a location where they have created and grown their business. They do not tend to be the types that are necessarily looking to move. As you appreciate, many people in Northern Ireland have deep roots in their communities that they want to maintain.

I have not come across cases where I can say, "This business has upped sticks and moved in this way", but it is something that we are constantly on the lookout for. As part of our wider role, we want to maintain the impetus on Northern Ireland being a good place to invest and do business in, which is why some of the wider initiatives we are taking, such as the

£563 million investment in city and growth deals, are so important in supporting that.

Q44 Baroness Brown of Cambridge: Minister, I have two quick follow-up questions on things that my colleagues have already asked you about.

Lord Faulkner asked you about the business engagement forum. I understood you to answer that its discussions were confidential. Why do they need to be confidential, and how does that work with business and industry representative groups? Does it mean that they are not allowed to inform their members about the discussions that have gone on?

Robin Walker MP: It is a good question. The basic point is that where we are discussing, as we frequently do in the business engagement forum, policy that is still evolving and has not yet been finalised and fully formed, we have to ask the organisations to respect the confidentiality of those discussions. Where we are talking about guidance, providing more detail on the guidance and the detail of White Papers, we are very happy for the businesses and organisations to share that with their members.

Part of the design of the business engagement forum was to be not just a delivery mechanism for public information from the Government. It was also to make sure that businesses could inform directly some of the policy officials working on future policy, and further elements of that. I would always make the case that those discussions need to be kept confidential and within the room wherever possible. We trust the business representative organisations that take part to use sensible discretion in understanding when there are public messages and public guidance we are providing that we want them to share with their members, and when there are discussions that touch on matters of ongoing policy development.

Baroness Brown of Cambridge: That is helpful. Both Baroness Neville-Rolfe and Lord Teverson highlighted a very natural concern about new IT systems, since our experience in the UK with new government IT systems is, sadly, generally not terribly positive. Have you done anything to press HMRC to move as quickly as possible to a position where the system can be trialled, and engage Northern Ireland hauliers and businesses in finding out how it works?

Robin Walker MP: Absolutely. We bring together businesses—the hauliers and so on—with HMRC to make the case. Obviously, they want as much information as possible as early as possible. Where I draw a slight distinction is that we are also talking about taking a light-touch approach that should require minimal engagement. Some of the suggestions for very intensive IT would be related to a more detailed approach requiring, for instance, rules of origin declarations, which is not the approach that we are planning to take.

Yes, we use the business engagement forum to make sure that the concerns and interests of business are heard when it comes to getting systems operating as quickly as possible. Indeed, in some of those conversations, as Baroness Neville-Rolfe mentioned, businesses offer to

test and to engage with the correct authorities. What I do not want to imply is that some hugely complex and expensive piece of IT is required for the type of system that we have set out in the Command Paper.

Q45 Lord Ricketts: Minister, an area we have not talked about is cross-border security co-operation, which is such an important issue in the success of the last 20 years. I want to say a word about extradition arrangements specifically.

We looked at them as the EU Committee at the beginning of 2018. We were told that the PSNI had sought 113 suspects from the Republic to be returned under the EAW and had secured the return of 47. When we had the chief constable of the PSNI with us, he told us that the loss of the EAW would be the biggest practical vulnerability arising from Brexit for policing in Northern Ireland.

From what we hear about where things are in the negotiations, there can clearly be no certainty that we will get a replication of the EAW arrangements. What impact could that have on cross-border security co-operation, bearing in mind that the fallback which the Government often talk about—the 1957 Council of Europe convention—has a political exception clause that I understand was used by the Republic in the case of some republican terrorist suspects during the Troubles. How would you see the impact of problems in replicating what we have now on extradition arrangements?

Robin Walker MP: First, I am obviously not in a position to comment on the ongoing negotiations, but I think security co-operation is absolutely an area where there should be a shared interest in reaching a deal between the UK and the EU. As you know very well, the European arrest warrant is of enormous benefit. Its workings, and having something in place to replace it, make sense from the perspective of both parties, but that is not my personal responsibility.

There are good working relationships between the PSNI and the Gardai. There are good arrangements in place where both parties recognise the importance of being able to work together. There is a new Irish Government with whom we are very keen to engage on the importance of these matters.

Brandon, as my Secretary of State and as a former security Minister, takes those issues extremely seriously. I know he is very keen to engage with his counterparts in the Irish Government on security issues. I am afraid I cannot give you much more detail than that because he will very much be leading on it. It is an issue that I know he takes enormously seriously. The importance of a good working relationship with the Irish Government is why the legacy proposals that are a separate part of our work are so important in that respect. That will continue long into the future.

Q46 Baroness Donaghy: Minister, I much appreciate your thorough and clear responses. Thank you. My question is brief. What did you think of our report?

Robin Walker MP: The report articulated many of the points that we were considering ourselves with regard to the importance of business and business engagement. In that respect, I am only sorry that it came when it did, because if it had come slightly later I think we might have been able to engage with more detail as to what we were doing on that front and provide some reassurance.

The report engages very seriously in a lot of detail, with serious issues. It very much recognised some of the same concerns that I hear day in, day out from businesses. I hope I have been able to provide some reassurance today that we have already taken some action on some of the concerns raised by the report about the importance of business engagement, and doing that in detail.

The Chair: That is good to hear. Our final question comes from the Chair of the International Agreements Sub-Committee, Lord Goldsmith.

Q47 **Lord Goldsmith:** Minister, as the Lord Chairman has just said, I chair our International Agreements Sub-Committee, which is involved in scrutinising the new agreements that we, as a country, are necessarily making following the departure from the European Union.

My question relates, at least first, to the interests of business. You have said several times today—for example, most recently in answer to Baroness Brown—that the interests of business in Northern Ireland are of importance. That is absolutely right. In that respect, to what degree will you be consulting or encouraging your colleagues to consult business interests in Northern Ireland about the new agreements that are being negotiated, for example, with the United States or Japan?

Robin Walker MP: That is a very good question. It is something that we are very much engaged in; I was exchanging messages with a DIT Minister only today on exactly that point. I spoke to Diane Dodds earlier today with regard to the FTA negotiations on Japan, to provide absolute assurance that it is our approach to make sure that Northern Ireland benefits from those and is included in them.

As you know, there is a wide range of negotiations under way that will all be very important in the future. We were fortunate in having, in the last session of government, a DIT Minister who was from Northern Ireland and had a particular interest in Northern Ireland. He set up good processes for engaging there. Although I was sorry to see Conor Burns go as a Minister, we now have Ministers who have picked up the baton from him and are engaging and coming over on a regular basis.

It is important, as part of the work on international trade, that Northern Irish businesses have their say and have the opportunity to play a part. It is something I am looking at with another hat on, in that I have been asked to take a lead for the department on the work that we are doing on the centenary of Northern Ireland next year, which is also the centenary of the UK as we know it. There is an opportunity through that to promote Northern Ireland as a place to invest, and to promote Northern Irish

exports. I am keen to have further discussions with my colleagues at DIT, and indeed the Foreign Office, on how we can work on that together.

Lord Goldsmith: That is reassuring to hear. From what you have said, I take it that you share the view that while these negotiations benefit, and should benefit, all of the United Kingdom, there will be separate interests from the different nations and the different devolved countries at stake and they should be consulted in relation to those.

Robin Walker MP: Absolutely. There is also a variety of different sectoral interests in each trade deal. We have to recognise that. One of the things that has become apparent from my engagement in Northern Ireland is that in the agricultural sector there is much heavier dependence on livestock. That obviously brings its own interest in trade negotiations with countries such as Australia or New Zealand. In that respect, we are always, as the Northern Ireland Office, there to make the case. It is also very important that departments engage directly with businesses and with the relevant departments of the Executive.

Lord Goldsmith: Thank you for those answers, Minister.

The Chair: Thank you from me and all the Committee, Minister, for this session. You have kindly agreed to help us on three matters in writing. I suggest that we re-pose the questions to you in writing. They are on VAT from Lord Oates, on IT from Lord Teverson, and on human rights matters from Baroness Hamwee. We will re-pose them to you and, to the extent that you are not the right person, we would be very grateful if you would pass them on to your colleagues in the Government who are. We will make use of those.

You have been incredibly frank and expansive about your journey so far, which has been very helpful. I do not think anyone on the Committee doubts that the rest of the journey is a long distance to travel. We wish you good luck with that, and look forward to seeing you again in the future.