



HOUSE OF COMMONS

European Scrutiny Committee

Oral evidence: [EU Withdrawal](#), HC 763

Wednesday 16 May 2018

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Members present: Sir William Cash (Chair); Douglas Chapman; Geraint Davies; Richard Drax; Mr Marcus Fysh; Kate Green; Kate Hoey; Kelvin Hopkins; Darren Jones; Andrew Lewer; Michael Tomlinson.

Questions 302-379

Witnesses

I: Rt Hon. Karen Bradley MP, Secretary of State for Northern Ireland, and Colin Perry, Director, EU Exit and Economy, Northern Ireland Office.

Examination of witnesses

Witnesses: Karen Bradley and Colin Perry.

Chair: Thank you for coming. In the last 24 hours somebody has suggested that you are the most important member of the Government.

Karen Bradley: Don't believe everything you read in the press.

Q302 **Chair:** Well, in relation to the max fac question. I will just leave that on the table, because we are obviously going to get into that issue.

First of all, I want to approach the subject from the point of view of some interpretations that are being placed on the notion of physical infrastructure and a hard border, because underneath all that there is the question of security, surveillance, and various things like that. The way I want to put it is this: the United Kingdom Government, the Irish Government and the EU all agree that there must be no hard border between north and south, but there is confusion and unrealistic thinking about the meaning of a hard border and the meaning of physical infrastructure. Frankly, some of this thinking appears to me to be politically stoked up to make the border question impossible to resolve.

Physical infrastructure in the shape of barriers or installations is out of the question. However, the words "physical infrastructure" and "hard border" are being unrealistically interpreted as meaning and including surveillance systems, including cameras, such as already exist, as you know, on the main Dublin-Belfast highway near Newry, as well as vehicle recognition and ANPR systems. Do you not agree that such cameras are already used the whole time in Northern Ireland for the purpose of excise duties, VAT, and veterinary checks, and do you not agree that Jon Thompson of HMRC and his Irish counterpart Niall Cody have already said that the border does not need new infrastructure?

Hidden cameras are already used for security, smuggling and drug enforcement. The locations of the cameras are not disclosed, and they are relocated if they are destroyed. Don't you agree that, as David Trimble has already indicated, the problem of dissident attacks, even if they are occasional, can be dealt with by the police on both sides of the border, and that they can and will be contained with proper surveillance?

In the context of the Northern Ireland Affairs Committee report, a number of expert analyses have been produced that show that the max fac system would be essentially frictionless. They include the "Smart Border 2.0" report by the former director of the World Customs Organisation Lars Karlsson, showing that existing technology would permit a friction-free border, and the very recent Longworth-Campbell Bannerman report, which showed that an authorised economic operator scheme for daily trade is workable, and also mentioned the proposals by Liam Irwin, the head of Ireland's customs authorities, detailing that trade facilitation posts would, in any event, be 15 kilometres back from the border.



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Of course, checks do not have to be at the border, as non-EU countries already have pre-registration and trusted trader schemes with exemptions for small businesses—not to mention the GPS tracking possibilities with apps. In other words, within the EU's own guidelines there are flexible and imaginative solutions available. However, Michel Barnier torpedoes such solutions when he says: "The territory of Northern Ireland...shall be considered to be part of the customs territory of the Union", which for the UK is constitutionally and democratically completely out of the question.

Furthermore, the EU itself, as in the case of border issues such as East and West Germany, Cyprus and Algeria in the past, has already demonstrated a degree of realism and flexibility in dealing with those issues. Given all that, would I be right in thinking that you would not disagree with my general analysis, that there are workable technical solutions to the hard border physical infrastructure question, much of which depends on interpretations as to what they actually mean?

Karen Bradley: I could give a one-word answer to that, couldn't I, Sir Bill? There was an awful lot in that question.

Chair: I want it on the record, because I think it is important that these definitions do not get in the way of realism.

Karen Bradley: There was an awful lot there, and I tried to note some of the key points you made, but perhaps I can go back to the commitments that the Government made in the joint report before Christmas. We were clear that we uphold the commitments we have in the Belfast agreement. We are committed to having no hard border on the island of Ireland. That means no new physical infrastructure or related checks or controls at the border. We are also committed to having no border in the Irish sea and upholding the constitutional and economic integrity of the United Kingdom. They are the commitments that this Government have.

On your specific questions about the customs arrangements—I think that is where your points were focused—clearly there are options that have been put forward that could address the issue and provide, as we have set out as the Government, the three things we wish to achieve for a customs arrangement: as frictionless trade as possible, the ability to strike our own trade deals, which is why we are leaving the customs union, and no hard border in Ireland or down the Irish sea. They are our three commitments that we have made in regard to the customs arrangements. We are working as a Cabinet to look at the options that are available to see which one best meets the rules and the commitments we have set ourselves around what the customs arrangements will look like, but also the commitments we made in the joint report in December, which we absolutely adhere to.

Q303 **Chair:** But you wouldn't want any deliberate obfuscation of the problems by virtue of a deliberate misinterpretation of what things like "physical infrastructure" actually mean. I have heard talk that, "We don't want any infrastructure of any description," and that would include, by the sound of



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it, such things as cameras. I think it was Simon Coveney on “The Andrew Marr Show” who made that point abundantly clear at the weekend.

Karen Bradley: We have been clear that there will be no new physical infrastructure at the border and no related checks or controls at the border.

Q304 **Chair:** That is the very point I am making; we already have cameras. They are there.

Karen Bradley: But the point that has been made on a number of occasions—I am not arguing with the point, or questioning it—is that this is a 310-mile border. It is porous. There are more border crossings on that 310 miles than there are on the whole of the eastern land border that the EU has with non-EU countries. Therefore, in order to maintain that and the way of life of people who live in Northern Ireland—these are 1.8 million citizens of the United Kingdom—we need to ensure that there is no new physical infrastructure and no new related checks and controls at the border.

Q305 **Richard Drax:** Secretary of State, good morning. Thank you for coming. Just before I start my question, may I make a point just to seek your opinion? There are those who seem to be using the Brexit debate and using the potential threat of a return of the men of violence. I speak as an ex-soldier who served in Northern Ireland, and speaking on behalf of them and others, we all find it disgraceful that people are conjuring up this image that these thugs are going to come back because of the potential risk of a hard border. Do you agree that it is a complete disgrace for those people to use that argument in this debate?

Karen Bradley: Northern Ireland has transformed in the 20 years since the Belfast agreement—there is no doubt about it. It is a different place than it was. That is in no small part due to the sacrifice of our armed forces and the RUC, who worked to ensure that the civil situation that we had in Northern Ireland over those years was contained, and they managed the situation. The PSNI today, together with the security services, does amazing work to contain the small number of people—it is a small number; the vast majority of people in Northern Ireland believe that the right way is through political means, not violence—who still believe that the way to achieve their aim is through violence. I pay tribute to the PSNI and the security services for the work they do containing that. I do not believe that using threats about a return to violence is the right way to deal with this particular issue. I think the right way to deal with it is to look at the politics, but also at the way of life of people in Northern Ireland—as I say, the 1.8 million citizens of the United Kingdom—that we, as the UK Government, have a duty to work toward achieving.

Q306 **Richard Drax:** Can I move on now to my question on EU VAT? There are already intra-EU VAT and excise borders between Northern Ireland and Ireland, without the need for physical controls. However, that arrangement is made possible through EU harmonising legislation and depends on two specific EU systems, and the EU currently requires VAT and excise to be paid at its external borders. How, specifically, do you



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propose to address VAT and excise as a third country outside these systems?

Karen Bradley: It would not be for me to pre-empt what the Treasury and HMRC will do on VAT. As someone who spent 20 years working in the world of tax, I am fascinated to see what happens, having enjoyed things such as the VAT status of teacakes and Jaffa Cakes being dictated by decisions made in Brussels. That was always something of great amusement to those of us who worked in the tax profession. But it would not be for me to pre-empt how HMRC will deal with that matter. That is a separate work stream beyond what we look at as the NIO.

Q307 **Richard Drax:** So you have not had any indication that the EU is willing to come to an arrangement on those two items?

Karen Bradley: As I say, it is a matter for HMRC and the Treasury. Clearly, where there are issues about the land border we will be involved at that stage. But they have to be overall arrangements.

Q308 **Richard Drax:** Do you have a personal view on it?

Karen Bradley: No, I don't. I think we have to come to a pragmatic solution.

Q309 **Darren Jones:** For viewers at home, can I clarify that you agree with the statement that, as Northern Ireland Secretary, it is a core part of your role to protect and maintain the Good Friday agreement?

Karen Bradley: Absolutely.

Q310 **Darren Jones:** My questions today are on sanitary and phytosanitary checks on animals and the movement of food. The regulations that deal with these issues are under the auspices of the single market, aren't they? Is that right?

Karen Bradley: I believe some of them are. There are a number of rules around that, but yes.

Q311 **Darren Jones:** So membership of the customs union, a customs partnership or the max fac proposals will not deal with those issues, will they?

Karen Bradley: The max fac new customs partnership is specifically about customs arrangements for goods. This is one part of the work we are doing; you will have seen today the announcement that there will be a White Paper next month on our future framework and future relationship, which will cover all those matters. Let's not see the discussion about customs, which is only a very small part of the overall relationship, out of context.

Q312 **Darren Jones:** So the work on single market issues, such as phytosanitary requirements, is to be started in the White Paper that is coming?

Karen Bradley: I do not think it is to be started. It is to set out the work we have done as the UK Government and our views about the future



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relationship—the deep and special partnership—we want to have with the European Union and its member states.

Q313 Darren Jones: On agri-food regimes there is a debate about maintaining equivalence on the regulation of food products. I think my colleague the Member for Ilford South, Mike Gapes, made an entertaining contribution to the House about how Baileys is produced and how many times milk moves across the border—I cannot remember how many times, but it is a lot. Post-Brexit, because some of those issues are single market issues, do you have any preparatory views as Northern Ireland Secretary about how that equivalence or other checks might be maintained between Northern Ireland and Ireland?

Karen Bradley: This is a matter we are working on in Government. We are looking at how we do it, but clearly we want to make sure that Guinness, Baileys, Bushmills and all those other great products that I am sure many people in this Committee have enjoyed, perhaps over their Christmas meals, can continue to be produced in a way that works for the people of Northern Ireland and on the island of Ireland.

Q314 Darren Jones: On the issue of animal movements, Robin Walker, who was with us before, talked about Ireland having an all-island epidemiological area, which means there is already some divergence between the two on the movement of animals. Could you explain what that means and whether that may change after Brexit?

Karen Bradley: Animal movements within the island of Ireland are within the island. So if you land at Belfast airport, you are told that you cannot bring food products, dairy products, on to the island of Ireland from the mainland. That is something that exists today.

Q315 Darren Jones: There has been some comment about the border not necessarily being in Northern Ireland. Just for the record, I should say that I don't share the Chair's optimism about everything being sorted by cameras, nor my colleague's view that we shouldn't necessarily be debating concern about the border and the Good Friday agreement.

If the border isn't in Northern Ireland or the Irish sea, where would the border checks be, if they are not on the border? I am trying to understand where they might be.

Karen Bradley: This is the point that we are working towards and, as I say, looking both at the customs arrangements and at the many more issues about that future relationship with the European Union and the way that goods, people and animals move around.

Q316 Darren Jones: For example, in my constituency of Bristol North West we have a port in Avonmouth, and we import lots of food products every year—

Karen Bradley: Yes, my mother-in-law is one of your constituents.

Darren Jones: Very good—hello to your mother-in-law. Do you envisage checks somewhere like that?



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Karen Bradley: As I say, we are working through the detail of how this will work. We are working to put arrangements in place that work for Northern Ireland, the island of Ireland and the whole United Kingdom.

Q317 **Darren Jones:** My last question, Secretary of State: are there any examples in the world that give you hope of finding a solution to this? Are there any examples where you think, "That could work for us"?

Karen Bradley: Many suggestions and solutions have been put forward, but we have to recognise the unique circumstances of Northern Ireland. This will be the only land border with the European Union where the remaining part of the country does not have a land border with Northern Ireland—so the mainland does not have a land border with Northern Ireland, but Northern Ireland has a land border with an EU country. This is a unique circumstance, a unique situation, and that is why unique solutions are needed.

Q318 **Darren Jones:** Thank you for answering those questions, Secretary of State. My concern is that I still don't have any clarity. To summarise what you have said to me, any of the single market requirements, including sanitary and phytosanitary checks, animal welfare checks and those for the movement of food products, is something that we need to wait for a White Paper on, but there are no examples in the world that you can refer to that work in this scenario. So to go to my original question, with your solemn requirement to maintain the Good Friday agreement, do you not feel concerned about that?

Karen Bradley: I am working very hard to make sure that we have the solution, and that I can talk to you about that solution as soon as possible.

Darren Jones: I look forward to you coming back and doing so. Thank you, Secretary of State.

Q319 **Geraint Davies:** Briefly, Secretary of State, on these issues, if we strike a trade deal with the United States that allows chlorinated chicken and hormone-impregnated meat into Britain, how are we going to stop that going across the Irish border without major infrastructure and certainly without equivalence of standards with the single market?

Karen Bradley: They are matters for further down the line, when we have our agreed arrangements on movement of goods and phytosanitary. They are not ones that I wish to speculate on today. We are leaving the European Union, the customs union and the single market, but we shall do so in a way that maintains our commitments in the Belfast agreement and that ensures, as I have said, under a customs arrangement, that there is no hard border in Northern Ireland and no border down the Irish sea.

Q320 **Geraint Davies:** I was just getting reassurance on the Chair's point that there will be no infrastructure. I was just wondering how this hormone-impregnated meat and chlorinated chicken would be stopped.

Karen Bradley: As I say, that is for a long way down the line. At the moment what I'm working on is how we get the customs arrangements that work for Northern Ireland.



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Q321 Andrew Lewer: Good morning. David Davis told us that once you have dealt with tariffs and the mutual recognition of standards, technical solutions to the other border controls were possible, but the Commission has insisted that substantive mutual recognition of product rules themselves isn't available outside the internal market and its regulatory infrastructure, which of course includes the European Court of Justice. If substantive mutual recognition of UK and EU rules as sought by the Government isn't acceptable to the remaining members of the EU, how significant an obstacle is that to maintaining the frictionless border?

Karen Bradley: I go back to the point that we are in a negotiation, and it wouldn't be right for me to speculate on the negotiation or to provide a running commentary on it, but we have been clear about what we want to achieve. I think it is also worth saying that the Irish Government have been clear that they do not want to see the hard border and new physical infrastructure between Northern Ireland and Ireland. There is a will to make this work, and we are working through negotiations to do so.

Q322 Andrew Lewer: Notwithstanding that, the Commission has already said that mutual recognition is not available outside the EU structures. If that is their position, how are you going to be able to maintain a frictionless border?

Karen Bradley: As I say, this is a negotiation, and it would not be right for me to comment on the negotiations or where we are in them. Things will be said on both sides; let us get to the end of negotiations and then we can look at it.

Q323 Kate Hoey: Secretary of State, do you recognise that there is already a border on the island of Ireland for a whole number of areas: VAT, income tax, excise duty and so on? There is a border in Northern Ireland. You may not see it in Ireland, but there is a border.

Karen Bradley: There are two different countries: the United Kingdom and Ireland. We have different currencies, different tax arrangements, different excise arrangements—

Q324 Kate Hoey: Do you recognise that that is all managed very sensibly through co-operation between the Governments of Northern Ireland and Ireland?

Karen Bradley: Of course, and this is what we wish to achieve for the future.

Q325 Kate Hoey: Right. Do you then recognise that there are cameras, as Sir Bill has already said, near the border? People are stopped regularly on buses coming across the border because there has been some intelligence. Lorries are stopped occasionally—not necessarily at the border, but around the border. Do you recognise that? Sometimes it seems like nobody is wanting to face what actually happens there at the moment.

Karen Bradley: Of course I recognise the situation today, and that is the situation we want to maintain.



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Q326 **Kate Hoey:** Good. Do you also recognise that if the EU sticks to its absolute mantra and red lines of how it works, it is not going to be possible to have a border that continues to have the things that are already there? It will perhaps have some more security in terms of cameras and so on.

Karen Bradley: As I have said, we are committed to no new physical infrastructure at the border and no new checks or controls at the border. That is the commitment that the UK Government have made and we stand by that.

Q327 **Kate Hoey:** Sorry—what do you mean by no new checks? The day after we leave, if a second lorry is stopped—is that a new check? What do you actually mean? We are using all these terms. You did not really answer the question about a hard border. Is a camera a hard border?

Karen Bradley: We have said that there will be no new ANPR cameras and no new cameras. We have been clear that there will be no new physical infrastructure.

Q328 **Kate Hoey:** Do you think on reflection that the commitment to no cameras was a rather silly thing to say by whoever said it initially?

Karen Bradley: No, I think it is the right thing to say and to be committed to. Some 1.8 million people in Northern Ireland who are UK citizens want to continue living their lives in the way they have done for many years, and we want to enable that to happen.

Q329 **Kate Hoey:** But it is happening at the moment.

Karen Bradley: As I say, we don't want to see it change.

Q330 **Kate Hoey:** Really?

Karen Bradley: Yes.

Q331 **Chair:** What about GPS?

Karen Bradley: We don't want to see change at the border. I am looking at all the options that have been put forward in terms of the customs arrangements, but please bear in mind that this is a small part of the overall relationship we are developing with the European Union.

Q332 **Kate Hoey:** And it is a very small part overall of the EU.

Are you happy that the views of Northern Ireland are being promoted properly in Brussels? There is no Executive, and you have not really got many people there. I visited Brussels with another Committee, and it is very clear that the Irish have put in a lot of extra resources over the past year or so within Brussels. The "wining and dining" of the Irish, which is legendary, is obviously having results. Are you concerned that there is not a strong enough voice for Northern Ireland in Brussels?

Karen Bradley: Your question alludes to the fact that there is no Executive, and I am concerned, as you know from the questions we have had on the Northern Ireland Affairs Committee, that not having an



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Executive in Northern Ireland is detrimental to Northern Ireland. It is bad for the people of Northern Ireland, and part of that is because the voice of the people of Northern Ireland is not heard through the processes that we have in place. The JMC, for example—both (EN) and (P)—has representatives from the Scottish Government and the Welsh Government. It does not have an elected representative from Northern Ireland on it. That is not where we want to be. It is not ideal. I would much rather Ministers were able to do that. I am working at official level to make sure that briefings are given and that we take views from all of the main parties in Northern Ireland, but it would be much better to have Northern Ireland Ministers able to speak for Northern Ireland.

Q333 Kate Hoey: But in the meantime you are the voice of Northern Ireland politically in terms of the Government of Northern Ireland—the United Kingdom Government. How often do you go over to Brussels?

Karen Bradley: I have not been to Brussels yet. I intend to go in a couple of weeks, but I am a part of the work that we are doing as a Government. Let us be clear: I do not have Executive powers in Northern Ireland. While I can speak within the UK Government on behalf of Northern Ireland, the voice of Northern Ireland is properly the elected representatives from Northern Ireland. They are the people who should speak for Northern Ireland.

Q334 Kate Hoey: We need not go into the fact that it has been well over a year now without a Government. Perhaps it is time for more powers to be taken on by the Secretary of State, but that is for another day. I know you have to be diplomatic, but are you concerned about the negativity of the Irish Government to actually working with you collectively for a solution to the border?

Karen Bradley: I think that we all have to respect and appreciate the audiences that politicians speak to. The audience that politicians from different countries speak to is their own electorate, and that is what we have to bear in mind.

Q335 Kate Hoey: So you don't find it frustrating that the Irish Government do not seem to want to sit down and talk about genuine solutions, like we had to do when we got the Belfast agreement. That would not have happened if people had not actually sat down and brought their differences to the table and discussed it.

Karen Bradley: We all want to find a solution. Everybody wants to find a solution, including the Irish Government.

Q336 Mr Fysh: Thank you, Secretary of State, for coming. We have mentioned the absence of a Northern Ireland Executive at the current time. How often do you meet the Northern Ireland Administration and officials there to discuss the different things that need to be done to prepare for Brexit?

Karen Bradley: I meet the chair of the Northern Ireland civil service regularly. It is important to state that I have no Executive powers. They do not have to meet me, in the same way that permanent secretaries in Scotland would not have to meet the Secretary of State for Scotland and



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permanent secretaries in Wales would not have to meet the Secretary of State for Wales. We have no Executive powers as territorial officers over the devolved Administration public servants. We do meet regularly and we discuss a number of matters, but not having an Executive is incredibly frustrating because there are so many decisions that I know the civil service would like to be able to take. I pay tribute to them for their hard work and dedication, because they have worked incredibly hard in very trying circumstances.

Q337 Mr Fysh: What things are they doing to prepare for Brexit?

Karen Bradley: They are working on the legislation that will be required for Brexit and on the new policies that will need to be put in place. They work closely with officials from my Department and also officials from the whole UK Government to understand what is changing and what needs to be implemented.

Q338 Mr Fysh: We have heard, for example, that there are potential delays with HMRC's work and the engagement between the UK's customs authorities and some other EU member states' customs authorities. What is the current situation vis-à-vis the Irish authorities? Are there preparations under way that engage both customs authorities in the island of Ireland? Is that happening at the moment?

Karen Bradley: As I say, I do not have Executive powers over the Department of Finance in Northern Ireland. It is for the civil servants there to do that work. It is not for me to direct them. I am not able to direct them.

Q339 Mr Fysh: Do you know what they are doing or not doing?

Karen Bradley: At official level we are working closely with them, but I repeat we do not have the power to direct them as the UK Government.

Q340 Mr Fysh: So is the answer no, you do not know what they are doing.

Karen Bradley: I am confident that they are doing the work that they need to do.

Q341 Mr Fysh: How would you know that?

Karen Bradley: If I pass over to Colin, perhaps he can explain what goes on at official level.

Colin Perry: At official level we have regular engagement with the Northern Ireland civil service. As the Secretary of State has quite rightly said, we have no particular powers, but that does not mean that we do not engage with them regularly on a range of Brexit-related issues, to understand where they are, to understand their engagement with other parts of the UK Government, just as the civil servants in Scotland and Wales are engaging with Whitehall on a bilateral basis.

Q342 Mr Fysh: So have they actually done anything?



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Colin Perry: Yes. They have done quite a lot of work to think through the changes that would be required, as the Secretary of State talked about, in relation to legislative changes, to understand the potential implications of things like the EU (Withdrawal) Bill for their statute book, and also the range of preparations that they need to make.

Q343 **Mr Fysh:** Have they employed any new customs officers or any new personnel? Have they hired anyone extra to think about the different range of controls that are going to be needed?

Colin Perry: They have certainly thought about the way in which they organise themselves to meet the challenges that Brexit presents, but I don't think it is for me to say what their recruitment will be; but customs is an HMRC function.

Q344 **Chair:** I really want to nail down the question to which you gave me a fairly ambivalent answer, I would suggest, relating to the camera surveillance issue. I really want to hear what you have to say with respect to this issue of no new infrastructure. Do you mean at the border or do you mean near the border, or do you mean anywhere? Quite clearly, when you are dealing with all the issues we have raised already about smuggling, terrorism, things of that kind, security questions—and then the other ones, the customs checks and the rest of it—we know that there are caveats, as I have already said, around Newry for example, so can you be quite specific? Can you tell us whether there will be no new infrastructure at the border, but there may be new infrastructure of the kind I have described in terms of surveillance and cameras and things of that kind at other places—for example on the way to the border—or anywhere? Take GPS, for example.

Karen Bradley: We have been clear there will be no new physical infrastructure or related checks or controls at the border. We have been absolutely clear about that. Your question, I think, Sir Bill, alludes to the solutions that might be available that have been put forward for technological tracking of goods as they move around Northern Ireland.

I think there are a few points to make. First of all, I made the point earlier about the number of border crossings that there are in Northern Ireland—I think it is 270 over the 310-mile border. These are unmarked roads and lanes. Fields have borders running through them. So we have been clear that we will not change anything at the border.

We also have to be clear about why having new physical infrastructure would be a problem at the border—and it is the security situation. It is the fact that there are people—a small number of people—who, as I have said previously, believe the way to achieve their aims is through violence, and who would destroy that physical infrastructure. We have to be very careful when we look at the arrangements and the suggestions that are put in place as to how, actually, we would police it—how we would actually manage the infrastructure needed, should infrastructure be needed of some sort at some place in order to achieve the aims of the customs arrangements. It would not be right for me, while we have not yet made a



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decision as to what we think the customs arrangements should be like, to then speculate on where or if new infrastructure may or may not be needed. But the commitment to no new physical infrastructure at the border, and no related checks or controls at the border, stands.

Q345 **Kate Hoey:** Secretary of State, are you really saying that we might not consider putting up or using cameras away from the border—for different reasons than they are currently used, but they are still there—because of some blackmailing threat by dissidents who might actually decide that they're going to start being violent and killing people? Are you really saying that, because that's what it sounds like?

Karen Bradley: No; I am not saying that. What I am saying is that we have to be practical about what we can do, what we can achieve and how we can enable the people of Northern Ireland to maintain and continue their lives in the way that they have for many, many years.

I'm looking at all the options on the table and considering them. I have an entirely open mind as to what the right solution is for the movement of goods, and we are talking about this very small part of our future relationship with the European Union on the customs arrangements related to the movement of goods. That is what I am looking at and I am looking at the way we can achieve that practically.

Q346 **Kate Hoey:** But you are ruling out Northern Ireland being part of a customs union with the Republic of Ireland if the rest of the United Kingdom isn't, and you are ruling out the whole of the United Kingdom being part of a customs union. Is that right?

Karen Bradley: Yes. We will leave the customs union and we are going to maintain the economic and constitutional integrity of the United Kingdom of Great Britain and Northern Ireland.

Q347 **Darren Jones:** I don't think that we should have this conversation in the context of threats from dissidents; it is about our solemn promise in the Good Friday agreement and we shouldn't be ashamed of that. Just on the point about how we don't maintain membership of the customs union and not have a border, I'm no expert on this, but I find it remarkable that every country, politician and stakeholder, other than the British Government and some of my learned friends on this Committee, thinks that that is not going to work. So my question, Secretary of State, is this: have you been part of meetings or had any meetings on this subject with the DUP?

Karen Bradley: I have had meetings on this subject with all parties.

Darren Jones: Including the DUP.

Karen Bradley: All main parties in Northern Ireland, yes.

Q348 **Darren Jones:** How did those conversations with the DUP go? Did they feel positive?



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Karen Bradley: The meetings with all parties—all parties have different views on these matters, but I'm working towards a solution that works for the people of Northern Ireland.

Q349 **Michael Tomlinson:** Secretary of State, I just want to ask one or two questions about maximum facilitation, or max fac, given your elevated status, as the Chairman alluded to in his opening remarks—

Karen Bradley: I would say, "Don't believe everything you read in the press".

Q350 **Michael Tomlinson:** Well, I think the reports must be true in this particular circumstance. However, given the fact that you are on this working group on max fac, which is looking to see whether max fac is an option that is workable, what is your initial view?

Karen Bradley: My initial view on both of the proposals that were put forward is that both could possibly work, but there are concerns. And there are concerns with regard to max fac—I don't think that's any secret. You will have seen in the press that it is about what would be needed in terms of checks to enable movement across the border. That is what I am investigating.

As I say, I have an open mind and I want to drill down on what is proposed and what options are available, to see whether it is possible to make either option work.

Q351 **Michael Tomlinson:** I want to come back to infrastructure just very briefly, but are there any other initial thoughts that you have specifically about max fac? Obviously you have the concerns that are there. Are there any particular advantages that you see in max fac that make you think, "Actually, this is why it could work"?

Karen Bradley: Max fac enables the UK to operate entirely independently of the European Union, while enabling facilitations across the border. Of course, in the context of Northern Ireland we would need additional facilitations, over and above the facilitations available to businesses on the mainland.

Q352 **Michael Tomlinson:** Coming back to the infrastructure, there are one or two points that the Chairman has already mentioned and other colleagues have asked about them as well. You have been very clear in your answer—no new infrastructure. That is the answer you've given this morning, while acknowledging that certain infrastructure is already there in place.

What conversations have you had, if any, with the EU about what infrastructure it would impose on the Republic of Ireland's side of the border? We have been very clear—we are not going to impose any new infrastructure. What conversations, if any, have you had with the EU about what it might impose?

Karen Bradley: We as the UK Government have said, the Irish Government have said and the EU has said that we do not want to see a



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hard border and we do not want to see new physical infrastructure at the border. The question now is how we achieve that, and that is what we are working to achieve. We are working to find an arrangement that enables that to be a reality, so that, as I say, 1.9 million people who are UK nationals living in Northern Ireland can continue to live their lives in the way that they have for many, many years.

Q353 Michael Tomlinson: In terms of working to achieve that, our Chairman referred to evidence that Jon Thompson, the CEO of HMRC, gave to another Select Committee, in which he said that he can certainly envisage a frictionless border. What conversations have you or your team had with him, or are you planning to have with him, as you work through the max fac option?

Karen Bradley: The working group is working on that, and that involves HMRC officials working with us.

Q354 Michael Tomlinson: Clearly, coming from the CEO at HMRC, that is important evidence. Do you foresee that there will be conversations with Jon Thompson as to how that can be achieved?

Karen Bradley: If not with Mr Thompson personally, certainly with people who speak for him.

Q355 Michael Tomlinson: That is helpful. In relation to policing and existing VAT checks—there is already a certain amount of intelligence-led policing that goes on there—what, if any, additional policing do you envisage being necessary with any of the new customs options or arrangements?

Karen Bradley: That is part of the work we are doing to look at all the implications for the options that are available. We are looking at all of those. It would not be right for me to speculate until that work has been done.

Q356 Michael Tomlinson: Finally, again picking up a question from a colleague, how far away from the physical border do you envisage that checks could be made in relation to customs?

Karen Bradley: Again, we are doing the detailed work at the moment. Until that detailed work has been properly and thoroughly done, it would not be right for me to speculate.

Q357 Chair: I actually have here what Mr Coveney said on “The Andrew Marr Show”. He said that the idea of any infrastructure on the border was not workable. He is really hard-line on this. He is simply ruling it out. That is the position of the Irish Government, it would appear. How are you going to respond to that in the context of what we discussed earlier about infrastructure already being there, in terms of cameras and whatever else there is by way of surveillance for all the other reasons?

Karen Bradley: I am not going to comment on his specific comments at that point. I would just repeat what we have said as the UK Government, which is: no new physical infrastructure at the border; no related checks or controls at the border.



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Q358 Chair: I understand the challenge for you. I am simply making the point that they are issuing an ultimatum and you are going to have to face them down. It is impossible to work on a footing that is going to exclude all infrastructure of any description and even continuing with the arrangements as they are now. It is preposterous.

Karen Bradley: We are very clear in our position.

Q359 Kelvin Hopkins: You have touched on this already, but I will raise it again. The Business Secretary prefers the customs partnership to maximum facilitation, but the Foreign Secretary prefers maximum facilitation to the customs partnership. What is your view, as Secretary of State for Northern Ireland, and why?

Karen Bradley: I am looking at both the options. I believe that both options could be made to work, but I need to test how they work. There are defects with both. If I go back to what we want to achieve from our customs arrangements, we want as frictionless trade as possible at the border, we want to have the ability to strike our own trade deals, and we want to have no border in Northern Ireland and no border down the Irish sea. If I look at those three requirements, both the customs options that are on the table could potentially be made to work. There is no doubt that the new customs partnership—the hybrid model—makes the Irish border situation easier. There is no doubt that the question of the Irish border is resolved by the new customs partnership in an easier way than it is by maximum facilitation, but the work I am doing in the working group at the moment is to really go through maximum facilitation and see whether it could be made to work in a way that works for the people of Northern Ireland.

Q360 Kelvin Hopkins: These views are coloured by the predispositions of Ministers in relation to Brexit, one suspects, but let's look beyond Brexit. We are now in a situation where there is a rather febrile atmosphere, with some resisting Brexit and some keen for it to happen as soon as possible. After this is over and Brexit has been achieved, is it not likely that there will be sensible, rational, practical solutions between the Republic of Ireland and the United Kingdom, and indeed between the EU and the United Kingdom? It would be in everybody's interest to have those arrangements.

Karen Bradley: I think that is what we are all working towards. On your point about whether the views on the customs arrangements that are on the table are coloured by previous dispositions, in my case I want to find a solution that works for the whole United Kingdom. That includes my constituents in Staffordshire, next door to Sir William—we know very clearly what they want—and it includes the people of Northern Ireland. They are all United Kingdom citizens and deserve the UK Government acting in all their interests.

Q361 Kelvin Hopkins: Historically, the Republic of Ireland, the whole of Ireland and the island of Britain has had close relationships going back for centuries. Indeed, I have a very large Irish community in my constituency and we are very close. After Brexit, are you looking towards



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a world in which our historic friendships can be restored and, indeed, strengthened?

Karen Bradley: In my previous job at the Department for Digital, Culture, Media and Sport and in my job at the Northern Ireland Office, I have always been clear in conversations with any European friend that we are leaving the structures and institutions of the European Union but not Europe. We are friends, we are allies and we want to work together. That does not change because we have chosen to change our constitutional arrangements with regard to our relationship with the institutions and structures of the European Union.

Q362 **Kelvin Hopkins:** I have made the point many times that we are talking about the European Union, which is a political structure covering some of the countries of Europe, but it is not Europe. As a passionate European who is sceptical about the European Union, I emphasise that constantly. We are Europeans historically, culturally and in every way, but some of us disagree with the political arrangements in part of Europe.

Karen Bradley: I think you sum it up very well, Mr Hopkins.

Q363 **Geraint Davies:** Secretary of State, you have made it very clear this morning that the red line is not having a hard border or infrastructure. However, the UK has put forward two options—maximum facilitation and a customs partnership—and both have been rejected by Michel Barnier as being unrealistic. Indeed, the Irish Prime Minister has also said that they are unworkable. In the event that both of those are rejected, would you not accept that the options left to us are basically no deal or a customs union? If we have no deal, there will be the hardest of hard borders, including migration checks as well as product checks, and we should therefore keep the customs union on the table, as the House of Lords has suggested.

Karen Bradley: We are leaving the customs union. That is what the British people voted for. The people of the United Kingdom voted in a referendum to leave the European Union. Leaving the European Union means leaving those structures and institutions, which means leaving the single market and the customs union. We are in the middle of a negotiation. Many things are said by both sides during a negotiation, but let's wait until the end of the negotiation.

Q364 **Geraint Davies:** So in terms of red lines, the real red line is not considering the customs union. It is not about a hard border at all.

Karen Bradley: The red lines are not having a border on the island of Ireland and not having a border down the Irish sea.

Q365 **Geraint Davies:** What I am getting at is that, if the EU, as it has, rejects both the options—maximum facilitation or a customs partnership—that the UK has put forward, the only option left is no deal at all. You accept that no deal at all would mean a very border, don't you?



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Karen Bradley: I think I am perhaps more optimistic on this than you are. This is a negotiation and we are working towards reaching a settlement and an arrangement that works for both sides.

Q366 **Douglas Chapman:** As a starting point, perhaps I can suggest to you that this sounds like a shambles. You are trying to square circles that are impossible to square. We know that negotiations are ongoing, but we now have less than five months until the deal will start to be ratified by both parties. Commentators and opinion polls in Ireland suggest that a united Ireland has never been closer. In Scotland, your Government intend to ride roughshod over a democratically elected Scottish Parliament, in terms of the powers of the devolved Parliament. Can you not see that this whole misadventure will ultimately break up the whole of the UK? From your perspective, is that a price worth paying?

Karen Bradley: I am a member of the Conservative and Unionist party, and I believe in the Union absolutely fundamentally. You referred to two points: the question of nationalist sentiment in Northern Ireland, and the issue of clause 11. I will touch on both points.

I do not believe that a majority of people in Northern Ireland want to be anything other than part of the United Kingdom. I respect that they are citizens of the United Kingdom, and I want to make sure that we do the right thing for those citizens of the United Kingdom, maintain that Union, strengthen that Union, and give good reasons why people in Northern Ireland would want to be part of the United Kingdom.

With regard to clause 11, we want to reach an agreement. We have reached an agreement with the Welsh Government on clause 11, and we would very much like to reach an agreement with the Scottish Government. We continue to work with the Scottish Government to find a way that is acceptable to both sides.

Q367 **Douglas Chapman:** On that point, I believe that some of the powers might be retained at Westminster for a period of up to seven years. Would that be a situation that the British Government would accept in the European negotiations—that you would wait seven years until some of the powers were repatriated to the UK? Is that an acceptable position? If it is not good enough for the UK Government, why is it being imposed on Scotland?

Karen Bradley: As I said, we want to work with the Scottish Government. We want to come up with a reasonable solution that works for both sides, and we really do want to find that solution working with the Scottish Government. We have been able to do so with the Welsh Government; we hope we can with the Scottish Government.

Q368 **Mr Fysh:** I just wanted to come back to something you said earlier. You said that having a customs partnership would make the border issues easier. Could you elaborate on the ways that you think it would be easier under a customs partnership, rather than maximum facilitation?



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Karen Bradley: I am open-minded on both, but if I put my chartered accountant/chartered tax adviser hat on and say, "Which of these arrangements works best for the three commitments and tests that we have set ourselves in terms of what a customs arrangement looks like?", not changing the way that the common external tariff is collected, so that when goods come in from the rest of the world they can move across the island of Ireland having had the tariff collected at the point of entry, and then move seamlessly into Ireland, of course makes it easier to resolve the issue of the Irish border. However, that is not to say that maximum facilitation cannot be made to work in a way that resolves the issue of the Irish border. I am looking at both.

Q369 **Mr Fysh:** But is it not the case, though, that under a customs partnership you would still need to track goods going across the Ireland border in order to know whether or not there was a duty that needed to be rebated in future? In fact, because of the WTO rules about treating goods once they are imported equally with domestic goods, you would effectively then have to track every domestic goods movement in the economy too. Are you not open to thinking that there might actually be very substantial problems with that under the surface, even though, on the face of it, it looks like an interesting idea?

Karen Bradley: The way I understand the way that the new customs partnership would work is that nothing would change for those businesses that deal with goods that are consumed only within the UK or the European Union. The tariffs would be collected as they came into the UK, and if those goods then moved into the European Union, there would be no difference for that trader at that point.

Clearly, we need to look at both suggested arrangements, really analyse them, and do very detailed work. That is what I am doing for the maximum facilitation model, and another team is working on the hybrid model to see how we can come up with a customs arrangement that we believe works best for the United Kingdom.

Q370 **Mr Fysh:** Can I urge you, please, to make a decision on which as soon as possible? Part of the planning of the systems for the border and everything else does mean that we need to get on with it, and at the moment I don't think HMRC is doing anything on these issues, because it is not getting direction as to what to do. Because the maximum facilitation techniques and technologies are pretty similar to those that would be needed in the event of no deal, it makes sense to let them get on with doing that, at least in the first instance.

Karen Bradley: I think the term we use is that we are working at pace, but we clearly do want to settle our view, looking at the three tests we have set ourselves and the commitments we have made in the joint report and testing those arrangements against it. But it is important that the very detailed work is done. We do understand this.

Q371 **Kate Hoey:** Do you accept that, because of all the new technology and the way it works now, only 1% of trade goods coming into the Republic of



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Ireland from outside the EU are actually stopped and checked?

Karen Bradley: As I say, there are arrangements in place today and we do not want to see those arrangements change.

Q372 **Kate Hoey:** No; I am talking about countries outside the EU sending goods coming into the Republic of Ireland. Only 1% of those goods would be stopped at any one time. It shows that not a lot of stopping goes on. Anyway, my second, quick question: are you going to the Balmoral show?

Karen Bradley: I am. I will be there tomorrow, after I have been to the North West 200 and had a meeting with businesses. There you go—I have a busy day ahead of me.

Q373 **Darren Jones:** A question on timeframes. I think I am right in saying that unless we get an agreeable solution on the Northern Ireland border issue, there is no implementation period agreed. Is that right?

Karen Bradley: The withdrawal agreement is dependent on having an appropriate solution for the backstop option—the protocol. I think Sir Bill referred to that in his opening question. To be clear, the text that has been put forward by the European Commission as to what the backstop option would look like is not acceptable to the UK Government, but clearly we do need to agree a text, as we have said we would in our commitments in the joint report.

Q374 **Darren Jones:** So no implementation without resolving this issue, which means the timeframe we are working to is that we need to get all of this sorted by October of this year. That's right, isn't it?

Karen Bradley: There are a number of different points there. There is the point about what the customs arrangements would look like in the future, and that is part of our future relationship. There is also agreeing the withdrawal, which is dependent on ensuring that paragraph 49 and paragraph 50 in the joint report are dealt with. That is a separate matter from the future arrangements.

Q375 **Darren Jones:** So you are confident that both on customs and on the single market issues, which we have acknowledged today also require border checks, those problems will be solved and agreed by October.

Karen Bradley: As I say, there are a number of different points there, but the White Paper on our future relationship will be issued next month. It is probably at that point that we should have conversations about that.

Q376 **Kate Hoey:** Is it not time we ruled out the backstop? The backstop can never happen.

Karen Bradley: We do not want the backstop to happen. We want to solve the issue of the Irish border through the overall EU-UK relationship—of course we do. The second option, option B, is that we resolve it through the UK-EU relationship, but with specific provisions for the unique circumstances of Northern Ireland. The backstop is not where anyone wants to be.



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Q377 Chair: We are coming to the end of this session. Particularly with regard to the question of Northern Ireland as a very significant, vital element in the entire negotiation process, we are now at a point where the EU have rejected both of the UK's proposed solutions to the Irish border as insufficient to prevent a hard border. That is point one.

Point two: you have got Mr Coveney talking on "The Andrew Marr Show" in the following terms: "it means we are talking about a political solution that allows for regulatory alignment in a way that prevents the need for border infrastructure." We have examined the infrastructure question at length. You have Mr Tusk saying: "If in London someone assumes that the negotiations will deal with other issues first before moving to the Irish issue, my response would be: Ireland first." So, at this critical stage, you have got intransigence from the Irish Government. You have intransigence from the EU and conflicting and entirely unsubstantiated assertions made about what infrastructure actually means. What is your sense of the way in which all this can be reconciled? Negotiations can obviously be difficult and challenging, but there comes a point when they are issuing ultimatums. That is what they are doing. I said this to the Prime Minister when she appeared before the Liaison Committee last December: are we not in a situation where we really need to be tackling them head on and not perhaps trying to be quite so emollient?

Karen Bradley: Different people have different approaches to negotiations, but what I would say is that many people said that we would not resolve the issues of the Irish situation before the December Council. We did, through the joint report. There were many who said we would not be able to negotiate an implementation period. We negotiated the implementation period in the March Council. These are negotiations. Many people will say things to appeal to a certain constituency. I am not going to be drawn on speculation about the negotiations or provide a running commentary on them. All I will say is that we continue to work very hard to deliver the right thing for the people of the United Kingdom, who voted to leave the European Union.

Q378 Chair: One last question: would you rule out any extension to the transitional period?

Karen Bradley: As I say, I am not going to be drawn on the way that we will negotiate or the negotiations themselves. The implementation period, it is clear, will end in December 2020.

Q379 Kate Hoey: Don't you have your own view, personally, ever? Do you never have any personal views?

Karen Bradley: I am not here as a person; I am here as the Secretary of State.

Chair: On that basis, as the role of Secretary of State constitutionally is an indivisible office, I hear what you say and thank you very much for coming.

Karen Bradley: Thank you.