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I write to update you on the Government approach to delivering unfettered access for Northern Ireland businesses to the rest of the UK market, and in particular a statutory instrument that we laid before Parliament this week.

The UK Government has been unequivocal in its commitment to unfettered access for Northern Ireland goods moving to the rest of the UK market, and committed in the *New Decade, New Approach* deal to guarantee this in legislation before the end of the year. Guaranteeing unfettered access was a clear pledge in the Conservative Party's 2019 Manifesto and is provided for in the Withdrawal Agreement (Article 6(1) of the Northern Ireland Protocol), which the Government is committed to implementing.

This unfettered access is delivered in part via the UK Internal Market Bill which enshrines in primary legislation that qualifying Northern Ireland goods will benefit from mutual recognition - enabling goods to continue to be placed on the whole UK market - and by prohibiting checks and controls as goods move from Northern Ireland to the rest of the UK (other than in extremely limited circumstances, such as trade in endangered species).

Alongside this work through the UK Internal Market Bill, we need to define a "qualifying Northern Ireland good" in law by 31 December 2020, which is done by means of statutory instrument under powers provided under the EU (Withdrawal Agreement) Act. That is the legislation we brought forward this week.

In the first instance, our priority is avoiding disruption and ensuring maximum continuity from the end of the Transition period for traders in Northern Ireland. This reflects the broader approach we are taking in the first half of next year for GB-EU trade.

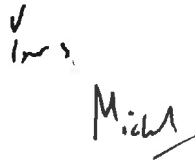
With that in mind, the statutory instrument will provide unfettered access for any good that is present in Northern Ireland (and not subject to any customs supervision, restriction or control which does not arise from the goods being taken out of the territory of Northern Ireland or the European Union); or any good that has undergone processing operations in Northern Ireland incorporating either domestic goods or goods not under customs supervision, restriction or control at the time of processing.

This approach will ensure no changes to Northern Ireland businesses moving goods directly to the rest of the UK from 31 December 2020 compared with now. It will be accompanied by anti-avoidance provisions which enable action to be taken against businesses who seek to route their goods through Northern Ireland solely to avoid import formalities. This legislation will be brought forward separately and will also be in place by the end of the year.

This measure is part of a phased approach and will be followed by further proposals from the UK Government, developed with Northern Ireland business for qualifying status for the longer-term, to be introduced during the course of 2021. We will continue to engage with the devolved administrations as that work proceeds. As we have done more broadly, it is right that the UK takes sovereign decisions to phase in our approach in a practical, sensible way that is supported by business.

This is an important first step to make sure that Northern Ireland traders can continue to move their goods in an unfettered way from the end of the transition period - meeting our clear commitment under the New Decade, New Approach agreement

With every good wish,

A handwritten signature in black ink, appearing to read "Michael", with a small checkmark above it.

**Rt Hon Michael Gove MP
Chancellor of the Duchy of Lancaster
and Minister for the Cabinet Office**