

# European Scrutiny Committee

House of Commons London SW1A 0AA

Tel (020) 7219 3292 Email [escom@parliament.uk](mailto:escom@parliament.uk) Website [www.parliament.uk/escom](http://www.parliament.uk/escom)

From: Sir William Cash MP

25 November 2020

Rt Hon. Jesse Norman MP  
Financial Secretary to the Treasury  
HM Treasury  
1 Horse Guards Road  
London SW1A 2HQ

## **EU Single Customs Window for trade in goods**

Thank you for your Explanatory Memorandum of 16 November 2020 on the recent European Commission proposal for a “Single Customs Window” (SCW), to improve cooperation between customs authorities and other public bodies in the EU involved in the verification of regulatory controls on goods entering or leaving its Single Market and Customs Union.<sup>1</sup>

We are not convinced by your assertion that the proposal has “no impact” on Great Britain, given that it could materially affect the practicalities of the UK’s day-to-day trade with the EU. However, we note that you do envisage the possibility that the Government may have to implement the SCW under the Protocol on Ireland/Northern Ireland. In particular, if adopted, the initiative could alter how traders would submit information on goods moved between Northern Ireland and Great Britain<sup>2</sup> insofar required under the Protocol as implemented by the UK. Similarly, it could affect how HM Revenue & Customs and other relevant UK public bodies would verify compliance with those obligations on such intra-UK trade. You note that the Government’s work to date on several domestic “single window” schemes for international trade already constitutes “a major step towards implementing the EU Single Window requirements” in the future.

As you are aware, future EU legislation within the scope of the Protocol will only apply to and in Northern Ireland automatically insofar as it ‘amends or replaces’ EU rules already listed in that Protocol. In particular, customs

---

<sup>1</sup> European Commission document COM(2020) 673.

<sup>2</sup> As well as movements of goods between Northern Ireland and other non-EU jurisdictions.

legislation as defined in Article 5(2) of the Union Customs Code (UCC) “shall apply to and in the United Kingdom in respect of Northern Ireland”.<sup>3</sup> In this context, we would be grateful if you could:

- Confirm whether the Government is of the view that, by inserting a reference to the Single Customs Window into Article 5(2) of the UCC, the proposed SCW Regulation – if adopted broadly as proposed by the Commission – would indeed ‘amend or replace’ the implementation of existing EU customs and regulatory formalities already applicable under the Protocol (without prejudice to any future Decisions of the UK-EU Joint Committee to modify how these operate in the unique context of the Protocol); and
- Therefore, clarify whether the facilitations and electronic systems foreseen by the Single Customs Window initiative would, in principle and subject to the further “discussions” with the EU to which your Memorandum refers, need to be implemented in the UK with respect to goods moved between Northern Ireland and Great Britain (and between Northern Ireland and other non-EU jurisdictions).

By extension, given the strong possibility that this EU legislation if adopted could apply to and in Northern Ireland under the Protocol, and in any event impact on the conduct of UK trade with the EU more generally, it would be helpful if you could set out:

- What the Government’s view is of the merits of the proposal in terms of its objective of streamlining EU customs procedures and making it easier for traders to fulfil their legal obligations; and
- What plans it has to engage with the EU institutions – including via the Joint Consultative Working Group under the Withdrawal Agreement – to ensure that any final legislation to establish the Single Customs Window reflects, to the extent possible, the UK’s economic and political interests, especially in relation to Northern Ireland.

We intend to monitor the legislative deliberations on this proposal in Brussels closely and will consider the implications of the SCW proposal for the application of administrative processes to the movement of goods between Northern Ireland and Great Britain in both directions further in due course and when there is more clarity about the practical implementation of the Protocol.

We look forward to receiving your reply before the Christmas recess.

---

<sup>3</sup> Article 5(3) of the Protocol on Ireland/Northern Ireland.

I am copying this letter to Simon Hoare MP, Chair of the Northern Ireland Affairs Committee and Nick Beech, Clerk of that Committee; to the Rt Hon Hilary Benn MP, Chair of the Committee on the Future Relationship with the EU and Gordon Clarke, Clerk of that Committee; to Angus Brendan Macneil MP, Chair of the International Trade Committee and Joanna Welham, Clerk of that Committee; to Lord Kinnoull, Chair of the House of Lords EU Select Committee, and to Chris Johnson, that Committee's Clerk; to Patrick Lynch and Victor Peluola at your Department; to Geraint Garvia at HM Revenue & Customs; and to Les Saunders in the Cabinet Office.

**CHAIR**