



Rt Hon Hilary Benn MP
Secretary of State for Northern Ireland
Northern Ireland Office
1 Horse Guards Road
London
SW1A 2HQ

18 March 2026

Dear Secretary of State,

DOCS NO. 10871/21 AND 10875/21: PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ESTABLISHING A CARBON BORDER ADJUSTMENT MECHANISM; AND, PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING DIRECTIVE 2003/87/EC ESTABLISHING A SYSTEM FOR GREENHOUSE GAS EMISSION ALLOWANCE TRADING WITHIN THE UNION

Thank you for your letter dated 5 March 2026 which was considered by the Northern Ireland Scrutiny Committee at its meeting of 18 March 2026.

We are grateful for your candour and constructive engagement with our concerns and acknowledge your regret at not informing us about the significant December 2025 agreement by the EU Commission of an exemption from the EU's Carbon Border Adjustment Mechanism (CBAM) for UK electricity crossing from GB into the Republic of Ireland via Northern Ireland. We also note your clear acknowledgement that "Northern Ireland businesses may be uniquely affected" by the EU's CBAM and welcome your efforts to seek "a permanent solution through [your] wider reset of the UK-EU relationship".

The Committee has emphasised throughout its correspondence on this matter that it sees the issues raised for Northern Ireland by the EU's introduction of its CBAM as serious and important and we plan to return to them in future but in the meantime, we retain our interest in this matter and look forward to considering, in due course, periodic updates as the Government's reset negotiations with the EU progress.

I am copying this letter to Tonia Antoniazzi MP, Chair of the Commons Northern Ireland Affairs Committee, Phillip Brett MLA, Chair of the Northern Ireland Assembly Committee for Economy, and Matthew O'Toole MLA, Chair of the Northern Ireland Assembly Committee for Finance.



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Yours sincerely,

Lord Carlile of Berriew CBE KC,
Chair, Northern Ireland Scrutiny Committee