Lord Boswell of Aynho
Chair, European Union Committee
House of Lords
London
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House of Lords EU Committee - Brexit: UK-Irish relations follow up

I am grateful for your letter dated 27 February 2018 in which you summarised the evidence put to the Committee and your substantive conclusions in relation to the follow-up inquiry into UK-Irish relations and Brexit. The Government recognises that these are important and complex matters and I welcome the valuable contribution of the Committee in exploring the issues at hand with a wide range of experts and stakeholders.

The Government has been consistently clear in our commitments to uphold the Belfast Agreement in its entirety; to maintain a frictionless border between Northern Ireland and Ireland, with no physical infrastructure; and, to ensure there are no regulatory and customs border between Northern Ireland and Great Britain when we leave the European Union. These commitments are reflected in the text of the Phase 1 Joint Report from the negotiators of the UKG and EU of 8 December 2017.

You will be aware that the Government has set out its proposals to achieve these objectives in the papers published on 15 and 16 August 2017; “Future Customs Arrangements - A Future Partnership Paper” and “Northern Ireland and Ireland - Position Paper”.

As made clear by the Prime Minister in her Mansion House speech, the Government has consistently put upholding the Belfast Agreement in its entirety at the heart of its approach and is committed to working with the EU and Irish Government in doing so. In the Joint Report we have committed to preserving all areas of North/South cooperation including, but not limited to, the Single Electricity Market and cross-border healthcare provision.

The arrangements for cross-border cooperation set out the Belfast Agreement are unique and not applicable to any other context.

As Michel Barnier has said, no arrangements for the unique circumstances of Northern Ireland can or should be a "precedent" for anywhere else. As set out in the Joint Report we have reached a balanced set of commitments that reiterate both our commitment to avoid a hard border, and our clear position on preserving the constitutional and economic integrity of the United Kingdom.
The Prime Minister outlined in her Mansion House speech and in Florence that there will be areas where we want to achieve the same goals in the same ways, as it will be in our interests to do so. In the case of Northern Ireland, examples include cooperation in areas such as the Single Electricity Market and transport.

The Joint Report set out our commitment to the economic integrity of the United Kingdom, with the whole of the UK leaving the EU's Internal Market and Customs Union. We've also been clear that any regulatory continuity in Northern Ireland in order to maintain a frictionless border would not threaten Northern Ireland's place in the internal market of the UK.

We are determined to ensure that all of the commitments on Northern Ireland and Ireland in the Joint Report are turned into legally-binding text. That must cover all scenarios and commitments, not just single out one.

On Monday 19 March both the UK and EU reaffirmed that we stand behind all the commitments we made in December. We have agreed that, at least, the so-called 'backstop' option should be translated in legally binding form in to the Withdrawal Agreement. There is agreement that the scope of the issues covered by the draft Protocol - focusing on goods and agriculture - reflects the right set of issues. We will now engage on an intensive work programme with the Commission to negotiate in detail on all the issues and scenarios set out in the Joint Report.

It is worth reiterating that Northern Ireland based companies sales to the rest of the UK is worth four times as much as sales with Ireland, by value (GB £14.4bn, Ireland £3.6bn), although Ireland is by far Northern Ireland's biggest export market. So the United Kingdom remains the most significant market for businesses in Northern Ireland in terms of value at one and a half times the value of all Northern Ireland exports and nearly four times the value of exports to Ireland in 2017. We must not do anything that compromises this vital trade within the UK. There is a strong relationship between this West-East trade in finished products with prior North-South trade in raw materials as part of the integrated supply chain. Northern Ireland's economy needs both North-South and West-East trade.

We recognise that there are complex interdependencies between these two trading relationships, particularly in relation to the supply chains, which we are continuing to study carefully in order to secure the best possible deal for Northern Ireland as we leave the EU.

On the issue of security you have raised questions around how the Government plan to manage UK-Irish extradition and sharing of information, evidence and biometric data post-Brexit; our discussions with the Irish Government and the EU27 on this matter; and the timetable for these issues to be resolved. Clearly these are matters of great importance. The Prime Minister's speech in Munich set out the new deep and special partnership we want to develop with the EU, including our ambition to retain the cooperation we have and go further to meet new threats. In the Withdrawal Agreement, both the UK and EU have made clear our shared commitment to keep all our citizens safe and continue the deep level of collaboration we have on security, law enforcement and criminal justice after Brexit. One of the objectives for the negotiations ahead is to seek to maintain a strong and close relationship with a focus on operational and practical cross-border cooperation to fight crime and terrorism. We will also seek a relationship that is capable of responding to the changing threats we face together, and public safety in the UK and the rest of Europe will be at the heart of this aspect of our negotiations. We will address the issues of extradition and the sharing of information, evidence and biometric data in that context.

In relation to EU Structural Funds, as set out in the joint report issued by the UK and EU negotiating teams on 8 December, both the UK and EU will honour their commitments to the PEACE and INTERREG funding programmes under the current multiannual financial framework. Possibilities for future support will be examined favourably.
In line with our commitments under the Belfast Agreement we will ensure that the 'people of Northern Ireland' as defined under the Belfast Agreement, who identify as Irish citizens will continue to enjoy the rights and obligations of EU citizens.

The agreement with the EU to maintain the Common Travel Area with Ireland, the Isle of Man and the Channel Islands, will ensure that there is free movement of people across these islands as has been the case. Additionally, the UK and Ireland have agreed to maintain the reciprocal rights that each country's citizens enjoy in the other's jurisdiction. Irish citizens in the UK will not be required to seek settled status and will continue to be able to access healthcare, social housing, benefits and education etc. as they do now.

[Signature]

RT HON KAREN BRADLEY MP
SECRETARY OF STATE FOR NORTHERN IRELAND