

Political Declaration by the European Commission and the Government of the United Kingdom

27 February 2023

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The European Commission and the Government of the United Kingdom recall the full commitment of the European Union and of the United Kingdom to protecting the Good Friday or Belfast Agreement of 10 April 1998, including its subsequent implementation agreements and arrangements, in all its dimensions and in all its strands.

They recognise their respective legitimate interests and that difficulties in the operation of the Protocol on Ireland/Northern Ireland have emerged over the last two years. They agree that steps are necessary to address them to the benefit of all the communities in Northern Ireland.

Today, the European Commission and the Government of the United Kingdom have reached a political agreement in principle on a new way forward – The "Windsor Framework".

This new way forward is a tangible manifestation of the shared desire for a positive bilateral relationship between the United Kingdom and the European Union, based on their continued commitment to the two Agreements that govern their relationship - the Withdrawal Agreement and the Trade and Cooperation Agreement, which is the cornerstone of their bilateral relations. Recalling their mutual respect for each other's autonomy and the ambition to engage in friendly cooperation on common issues, particularly at a time of shared geopolitical challenges, both the European Commission and the Government of the United Kingdom express their intention to fully exploit in the future the potential of the Trade and Cooperation Agreement, and will seek to maximise the potential of the relationship between the EU and the UK in ways that benefit both parties and support their shared commitment to support stability and prosperity in Northern Ireland.

Today's political agreement in principle on joint solutions and meaningful changes to the Protocol constitutes a series of practical and sustainable measures that the Government of the United Kingdom and the European Commission consider necessary to address, in a definitive way, unforeseen circumstances or deficiencies that have emerged since the start of the Protocol. They respond to the everyday issues faced by people and businesses in Northern Ireland, supporting and protecting the Good Friday or Belfast Agreement in all its parts.

These joint solutions reflect the unique circumstances and challenges on the island of Ireland and Northern Ireland's integral place in the United Kingdom's Internal Market. In particular, they ensure both the integrity of the European Union Single Market, to which Northern Ireland has a unique access, and the integrity of the United Kingdom's Internal Market.

These new arrangements will facilitate internal UK trade and are underpinned by solid safeguards for the protection of the EU Single Market. They provide certainty and stability for citizens and businesses in Northern Ireland.

This new way forward rests primarily on new data sharing agreements, arrangements on customs, agrifood, medicines, VAT and excise, State aid / subsidy control, as well as specific instruments designed to ensure that the voices of the people of Northern Ireland are better heard on specific issues particularly relevant to the communities there.

This new way forward differentiates between goods that are at risk of moving to the EU Single Market, and goods that are destined for final consumption in Northern Ireland. Building upon this distinction, the new way forward sets up two ways for goods to move from Great Britain to Northern Ireland. From this perspective, goods at risk of entering the EU Single Market will remain subject to full EU customs and Sanitary and Phyto-sanitary (SPS) procedures.

Alternatively, for goods staying in the UK, trusted traders will be able to use new arrangements to move goods from Great Britain to Northern Ireland smoothly. This is in particular made possible by new data sharing arrangements, mostly based on standard commercial and transport data. Therefore, in most instances, controls would only be performed if a risk is assessed or abuse detected. Deliveries of consumer parcels are part of the overall solution.

This new approach will resolve the practical challenges faced by business and citizens. Solutions have been found for the movement of food, including important goods for local people such as sausages, for their end consumption in Northern Ireland, with UK public health standards applying. A way was also found for plants, shrubs, trees and seeds to be able to move into Northern Ireland, supporting garden centres and farming. Pets will be able to easily accompany their owners when they travel within the United Kingdom.

A permanent solution has also been found to ensure that people in Northern Ireland have access to all medicines, including novel medicines, at the same time and under the same conditions as people in Great Britain.

The new arrangements require effective safeguards that guarantee that goods moving from Great Britain to Northern Ireland are not moved further to the EU Single Market. These safeguards are built on three pillars: a trusted trader scheme with a robust authorisation and monitoring process; data-sharing on movements of goods allowing risk-assessments to be performed; and reinforced procedures, such as increased market surveillance, in place to guarantee that such goods will be consumed only in Northern Ireland. Specific guarantees are provided for the movement of agri-food products, including appropriate labelling and SPS facilities, which will also reflect the longstanding animal and plant health status of the island of Ireland.

The European Commission and the Government of the United Kingdom have also agreed in principle on appropriate measures on VAT to better reflect Northern Ireland's integral place in the UK Internal Market whilst protecting the EU from risks such as fiscal fraud or market distortion. A forward-looking coordination mechanism in the area of VAT and excise will be established to address future issues that may arise.

Furthermore, the European Commission and the Government of the United Kingdom will provide further clarifications as regards the application of relevant State aid rules, providing certainty as to how and to whom they apply, including clarifying the conditions under which UK measures do not affect trade between Northern Ireland and the European Union and therefore do not fall within the remit of the EU's State aid framework.

Over the last two years Northern Ireland stakeholders have stressed the importance of consultation and engagement. Consequently, the European Commission and the Government of the United Kingdom have agreed in principle on the following:

- 1. Recognising the valuable insight that stakeholders can offer on Northern Ireland's unique circumstances, the Government of the United Kingdom and the European Commission have agreed to establish regular engagement with Northern Ireland stakeholders including citizens and businesses, at each level of the Withdrawal Agreement's structures and with the co-chairs of the Joint Committee.
- 2. New structured sub-groups will be set up to support the work of the Joint Consultative Working Group to discuss aspects of relevant measures.
- 3. This way forward will provide for a new emergency brake mechanism the Stormont Brake to allow Members of the Legislative Assembly in Northern Ireland to stop the application in Northern Ireland of amended or replacing EU legal provisions that may have a significant and lasting impact specific to the everyday lives of communities there. This mechanism would be triggered under specific circumstances in a very well-defined process. The Government of the United Kingdom would operate the mechanism in a way that is consistent with the safeguards set out in the 1998 agreement and its subsequent implementation agreements.

Taken together, these solutions constitute a set of meaningful changes to the Protocol and its operation which will provide lasting certainty and stability for citizens and businesses in Northern Ireland.

This new way forward demonstrates the joint determination of the European Commission and the Government of the United Kingdom to constructively work together to address the real issues affecting everyday life in Northern Ireland. Both express their intent to use all available mechanisms in the existing framework and arrangements announced in Windsor today to address and jointly resolve any relevant future issues that may emerge.

The Government of the United Kingdom and the European Commission commit to the full implementation of the Withdrawal Agreement in all its parts. Likewise, the two sides commit to taking all possible steps to address future disputes over the operation of these arrangements through engagement in the Withdrawal Agreement Joint Committee before seeking dispute settlement. Both sides recall the importance they attach to the respect of international obligations (pacta sunt servanda), including those arising from the Vienna Convention on the Law of Treaties, done on 23 May 1969, which applies to all international agreements including the Withdrawal Agreement and its Protocol on Ireland / Northern Ireland. Both sides are confident that the implementation of the Withdrawal Agreement, and the will to jointly resolve any issues that emerge will be instrumental in avoiding disputes.

The European Commission and the Government of the United Kingdom will proceed, within the remit of their respective powers, with the necessary steps to translate these joint solutions into legally binding instruments and to implement these expeditiously and in good faith. To that effect, a meeting of the Withdrawal Agreement Joint Committee will also take place in the coming weeks to adopt the necessary measures by making full use of its powers under the Withdrawal Agreement.

In recognition of the steps taken today, and satisfied that these arrangements will fully address the challenges that emerged in Northern Ireland in a definitive way, the Government of the United Kingdom is stopping the process of the Northern Ireland Protocol Bill, and is not proceeding with it, so that it will fall in the UK Parliament at the end of the Parliamentary session. These arrangements, when implemented, mean that there will no longer be grounds for the existing Commission legal proceedings against the United Kingdom relating to the Protocol on Ireland / Northern Ireland.

The new way forward on the Windsor Framework marks a turning point in how both the United Kingdom and the European Union will work together collaboratively and constructively. It also reflects the full commitment of both to protect the Good Friday or Belfast Agreement of 10 April 1998 and its subsequent implementation agreements and arrangements.