

The Rt Hon Hilary Benn MP

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Edwin Poots Speaker of the Northern Ireland Assembly Parliament Buildings, Stormont Belfast, BT4 3XX

By email: speaker@niassembly.gov.uk

24 April 2025

Dear Edwin,

On 29 April, the UK and EU will hold the next meeting of the Withdrawal Agreement Joint Committee. As part of this meeting, we will take forward a series of steps relating to the Windsor Framework. The Minister for the Cabinet Office has today set out, as co-chair of the Withdrawal Agreement Joint Committee, a statement to Parliament on the steps that the Government will be taking and I wanted to update you on these matters in line with the written statement that he has submitted.

I can first confirm that the Government will be moving to implement the next phase of the UK internal market system. This phase will deliver simplified processes for freight and parcels arrangements between Great Britain and Northern Ireland, and reflects the substantial work undertaken on the delivery of those commitments to date. I would assure you that the Government will continue to implement the UK internal market system in good faith, in line with the commitments set out in *Safeguarding the Union*.

These changes will replace the burdensome requirements in the old Protocol for international customs paperwork with Internal Market Movement Information – moving to a much shorter, simpler dataset containing ordinary commercial information. They will further simplify processes for businesses, more than halving the number of data fields they need to complete. These changes have been taken forward following considerable engagement with sector stakeholders to ensure full readiness for the new arrangements and, subject to the relevant procedures, will take effect from 1 May 2025.

In bringing these arrangements into effect, the Government is demonstrating our commitment to the UK internal market and breaking down barriers to trade for businesses and traders. The effect of these new, beneficial arrangements for freight and parcels will continue to be monitored by the Independent Monitoring Panel on the Windsor Framework, whose first six month reporting period will conclude on 30 June 2025. These changes also reflect the closer, more cooperative relationship that the UK now has with the EU.

The Government is committed to tackling barriers to trade for businesses across the UK. Northern Ireland obviously has a special trading relationship with the EU under the Windsor

Framework. It is therefore only right that the Government reviews all elements of Northern Ireland's regulatory arrangements to ensure it can make the most of its unique dual market-access.

As such, at the Joint Committee, the Government will agree specifically to three decisions to add four acts to the Windsor Framework. As required by Schedule 6B to the Northern Ireland Act 1998, the Minister for the Cabinet Office has set out in his written statement to Parliament why he is of the opinion that the conditions are met for these measures to be agreed under the "no new regulatory border" procedure. This procedure forms part of the legal safeguards to screen for and protect against barriers in the UK internal market, and exists for circumstances where the addition of a measure would not produce such an impact.

I have provided more detail on these decisions below and, in addition, will ask that officials provide Explanatory Memoranda on them to the Democratic Scrutiny Committee very shortly and in parallel to Parliament.

## Ukraine/Moldova tariff liberalisation - Regulations 2024/1392 and 2024/1501

The Government is satisfied that these regulations will not create a new regulatory border. This is because the EU regulations reduce the EU tariff on goods coming from Ukraine and Moldova and because of the low volume of relevant trade flows. We expect that no goods moving to Northern Ireland will incur additional financial cost. These regulations follow on from similar previous measures which were added to the Framework in 2023.

## Critical Raw Materials - Regulation 2024/1252

The Government is likewise satisfied that this regulation will not create a new regulatory border. For context, the provisions are on labelling requirements for goods containing permanent magnets, to facilitate recyclability, and for certain critical raw materials (e.g. rare earths) to be accompanied by an environmental footprint declaration. This is based on the fact that most affected products in Northern Ireland are likely to be traded on a pan-European basis. As such, manufacturers and traders are unlikely to face additional barriers to placing products on the Northern Ireland market or an incentive to cease doing so

Additionally, the objectives of the regulation are broadly in line with those of the Government. This is with regard to both the UK's upcoming Critical Minerals Strategy aimed at securing stable supplies of critical raw materials, and the forthcoming Circular Economy Strategy. This regulation would not create a new regulatory border as it would not lead to a material diversion of trade or materially impair the free flow of goods.

In order to provide additional confidence that manufacturers and traders will not face new regulatory barriers to placing goods on the Northern Ireland market, the Government commits to taking any necessary steps to protect the UK's internal market, including considering equivalent measures in Great Britain where necessary.

## Non-Agricultural Geographical Indications - Regulation 2023/2411

Following a comprehensive technical process that we have undertaken reflecting the issues raised in the Northern Ireland Assembly last year, the Government is now satisfied that accepting a proposal to add this regulation to the Framework will not create a new regulatory border. This detailed and thorough exercise was undertaken in response to and in recognition of the concerns expressed by Members of the Assembly in that debate.

I am grateful for the thoughtful and considered contributions to that debate. The Government has sought to thoroughly assess the regulation's impacts, particularly on the UK internal

market given the concerns voiced by some Assembly Members, as well as to identify any benefits that the regulation would present for Northern Ireland or the functioning of the internal market. Additionally, and reflecting the considerable importance that both MLAs and the Government attach to the functioning of the UK internal market, we have considered the interaction between the applicable regimes in Northern Ireland and Great Britain respectively in our assessment that no new regulatory barriers are created as per Schedule 6B to the Northern Ireland Act 1998.

For context, the regulation proposed for addition to the Framework concerns non-agricultural geographical indications (GIs), which are intellectual property rights to indicate that a product has a specific geographical origin and possesses a certain quality or reputation due to that origin. The UK already enforces strong trade mark and consumer protection laws and GIs are another way of protecting products against infringement. It is proposed that the EU's scheme for granting these types of protection to non-agricultural craft and industrial goods in Northern Ireland would apply alongside the separate measures under the UK's own existing intellectual property regime.

In undertaking our extensive assessment of the regulation, we facilitated detailed technical exchanges with the European Commission led by Government and EU intellectual property experts. This work thoroughly considered relevant equivalent protections in our domestic regime, and following its culmination, it is clear to the Government that the regulation would not materially impair the free flow of goods or divert trade between Great Britain and Northern Ireland, and that it could indeed offer new opportunities.

The Explanatory Memorandum that the Government will supply sets out that the regulation would only affect a small number of businesses due to the specific nature of the products. Additionally, the regulation would only affect businesses that wrongly claim to sell a protected product or evoke the name of a protected product. Even where companies are selling such products, only minimal adjustments are likely required, such as updating packaging or marketing materials. Companies that are selling genuine products will not need to make any adjustments.

Where businesses are using protected names when selling a product that does not meet the GI specification, they might be able to use exemptions (such as continued use of the product name if the product is already covered by a UK trade mark) or apply for transition periods of up to 15 years, if applicable, to change marketing materials. Moreover, many of these businesses will already trade with the EU market and make those adjustments regardless.

The exercise that the Government has undertaken has also concluded that businesses in Northern Ireland may benefit by accessing this alternative way of protecting their products, as GIs may allow them to charge higher prices or improve sales. Agri-food products can already benefit from GIs and businesses have hugely valued the protection of familiar and important products that are exported and marketed globally such as Irish whiskey.

We are therefore now confident in our assessment that this regulation would not create a new regulatory border between Great Britain and Northern Ireland and I am content to provide this assurance to Assembly Members. However, the Government also intends to go further to provide additional comfort to Assembly Members and businesses, traders and consumers in Northern Ireland which was not provided when the Assembly last considered the issue.

I can therefore also confirm that the Government is committing to review the GB domestic regime in respect of non-agricultural geographical indications in light of this decision. This commitment has been made by the Minister for the Cabinet Office in his written statement to Parliament and I would reiterate it to you.

## **Next steps**

It is a direct result of the protections for the UK internal market that exist in domestic law that the Government has undertaken careful and robust analysis ahead of progressing the steps set out in this letter. The Explanatory Memoranda that we will shortly provide will set out further information, and the basis of evidence on which the Government has determined that none of these measures would lead to a new regulatory border. Indeed, all of our actions demonstrate our commitment to ensuring the smooth flow of trade across the United Kingdom in its territorial entirety.

Whilst the Government notes that the EU has recently issued proposals to add Regulations 2024/1689 (on Artificial Intelligence) and 2024/2847 (on Cyber Resilience), we are clear that both regulations are complex and will require further dialogue and consideration as to their interaction with the Framework. At this Joint Committee, the Government will ask the EU to hold an exchange of views on these two files within six weeks. Therefore, at present no decision has been made and the regulations will not be added to the Windsor Framework at this Joint Committee meeting. The Government also notes that Members of both Parliament and the Assembly have expressed interest in these issues in light of our domestic strategy and that they too will want to consider the issues when the Government has further clarity to share on them.

The Government is steadfastly committed to protecting the UK internal market and to implementing the Windsor Framework. Our approach to the Joint Committee, to assessing the potential impacts of these decisions, and to readying the simplified arrangements for parcels and freight in the next phase of the UK internal market system, reflects the sincerity with which the Government treats both of those commitments. The full package of decisions and declarations which the Joint Committee will consider and take forward are intended to achieve both of these objectives.

Beyond these matters, the Government will continue to engage closely with stakeholders and the European Union on a broad range of regulatory issues of mutual interest in line with the outcomes of the Joint Committee. I will similarly continue to work closely with the Northern Ireland parties on these important matters.

THE RT HON HILARY BENN MP SECRETARY OF STATE FOR NORTHERN IRELAND