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Vice-President
European Commission
200, Rue de la Loi, Brussels, Belgium

Rt Hon Elizabeth Truss MP
Secretary of State
Foreign, Commonwealth and Development Office
King Charles Street, London, SW1A 2AH

9th March 2022

Dear Vice President / Foreign Secretary,

The UK Trade and Business Commission is composed of MPs from all political parties represented in Westminster, as well as of businesses from many sectors including from Northern Ireland. Our remit is to examine the UK's trading and business relationships and to make recommendations that will help businesses in future.

As co-convenors of the Commission, we are writing following our recent visit to Northern Ireland to urge on you a renewed effort to put local businesses at the heart of making the Northern Ireland Protocol work. Having talked to a number of firms last week, it is clear to us that the current situation is simply not delivering for them.

We know that you have both been to Northern Ireland to talk to political parties, businesses and the broader community, and no doubt you heard the same views expressed that we encountered. We welcome the fact that negotiations between the UK and the EU on the key areas are continuing, but it seems clear that substantial progress is yet to be made.

During our visit, business owners, representative organisations and industry experts described the problems facing them as a result of the Protocol and other post-Brexit arrangements and many of them expressed real concern about what would happen if the current grace periods were to end. For example, we heard that while progress has been made on human medicines, the same cannot be said for veterinary medicines, and the EU and UK appear to have expressed different views about whether Steel Tariff Rate Quotas have been resolved. In fairness, we should also acknowledge that many businesses in Northern Ireland see the Protocol as providing significant opportunities in future for investment and export to both UK and EU markets, but it will be hard to realise the full benefits of this if there is continued uncertainty about the status of the Protocol.

Perhaps of greatest concern is the prospect of current and future regulatory divergence creating constant problems for retailers, not least because supply chains are integrated both on an all-Ireland and all-UK basis. This will cause difficulties for mixed origin goods for export, and all of the above leads to uncertainty, lots of paperwork and increased costs. There are also increasing concerns across the business community that they will become less competitive at best, or at worst, that new costs and complexity could lead to whole product lines or entire business models becoming unviable.

Throughout our visit, we heard that despite holding numerous meetings with both the EU and UK negotiating teams, little progress is being made. We were told that the UK and EU are 'talking past each other' in the negotiations, despite there often being little difference between your respective positions. There is also considerable frustration from businesses which have invested significant time and energy, repeating the same points with seemingly no change in outcome. They need evidence from you that their faith in this process is warranted.

It seems clear to us that this situation requires urgent attention and at least the following is required:

- formalised, regular, tripartite meetings between EU, UK, and Northern Ireland business to address and resolve operational issues;
- modelling proposed solutions with industry, to ensure they can deliver without imposing costs so great as to reduce consumer choice or threaten business viability; and
- full discussions of proposed divergence between UK and EU regulations to enable both sides to understand the likely implications for Northern Ireland.

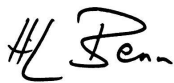
We would also ask you to consider proposals previously made by the UK Trade and Business Commission including:

- establishing a new authority to protect and maintain standards in future UK trade agreements and provide an independent impact assessment of any proposed divergence from EU food regulations, including the impact on UK-EU trade and Northern Ireland;
- digitising checks for food exporters; and
- negotiating an SPS agreement between the UK and EU.

The terrible events in Ukraine underline that the UK and the EU are together facing great external challenges and that's why we should urgently work to deal with matters that threaten to divide us at a time when it is so important that we remain united.

We look forward to hearing from you.

Yours sincerely,



Hilary Benn MP
Co-Convenor, UK Trade and Business Commission



Peter Norris
Co-Convenor, UK Trade and Business Commission