Twitter Thread by Jess Sargeant



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There's just days until the Northern Ireland protocol enters into force on 1 Jan. The Joint Committee has made it's decisions, the UK and EU have agreed an FTA (the TCA), and the UK have announced lots of new schemes, but what does this all mean for the Irish Sea Border ■■■■

Tariffs■The Joint Committee already agreed that most goods moving GB-NI that are for sale or final use in NI will not be subject to tariffs. Businesses will need to register for the UK Trader Scheme to certify that their goods qualify. https://t.co/QpS98TtjqO

Registrations for the UK trade scheme opened on 15 December so cutting it a bit fine. But the JC decision allows for any applications to the scheme to be provisionally approved for up to 4 months. The zero-tariff UK-EU deal has relieved some of the strain on the scheme because..

A lot of goods moving GB-NI will qualify for tariff-free access whether the goods are staying in NI or going to the EU, so many businesses may not bother using it. But it could still be important for goods who don't meet the Rules of Origin threshold https://t.co/i6Y2gmgEgq

Customs formalities ■ The same paperwork, including customs declarations, will be required on goods going GB-NI as going GB-EU. The UK-EU have agreed some simplifications in the TCA & UK officials applying EU law in NI will no doubt be as light touch as possible.

But there will still be new requirements that weren't there before. To help businesses comply with this the UK Gov established the Trader Support Scheme (yes this is different to the UK Trader Scheme, yes it is confusing) which will raise customs declarations on behalf of traders

The TSS has had the longest run in of all the protocol related schemes, but we pointed out in our November @instituteforgov report that it will have a big job scaling up. 1 January will be the real test https://t.co/8QNTUD0AJ4

Agri-food ■ New checks and paperwork will be required on goods moving GB-NI. There are extensive - requiring all products of animal origin to be accompanied by a certificate, documentary checks on all goods, and physical inspections on 30% of certain meat, diary and poultry.

The UK was seeking an equivalence agreement which would have significantly eased these burdens. But while the TCA contains a commitment on both sides to ensure border processes are 'proportionate', there's no concrete agreement on a reduction in frequency of checks.

We knew back in Nov that the facilities to conduct new checks in Northern Ireland definitely weren't ready - risking serious disruption. The Joint Committee agreed a 3 month grace period from Export Health certificates for supermarkets & some suppliers which will buy some time.

But some traders will still need to comply with new SPS checks on 1 Jan, and unless an NI specific agreement is reached (unlikely) - full SPS controls will apply to all trade3rs in April. This will make it more difficult and more expensive to trade foods GB-NI.

To counter these new costs, the UK gov have announced another scheme (seeing a pattern here?). The Movement Assistance Scheme which will help businesses comply with new requirements and cover "reasonable costs" of new paperwork.

But this doesn't solve every problem, EU law prohibits the import of some agri-food products from 3rd countries - so GB-NI trade in some products will cease altogether. There's been uproar over seed potatoes which NI imports from Scotland to make chips, staying on the banned list

Sausages and chilled meats are also banned. The Joint Committee agreed a 6 month grace period, to allow sausages to continue to be traded across the Irish Sea. The UK said it hoped to resolve this long-term through an FTA, as far as I can see, it hasn't appeared to.

So, some key take-aways:
- There will be new checks and processes, but not tariffs, on goods moving GB-NI - the TCA does little to remove these.
- The agri-food grace periods agreed in the Joint Committee will minimise the risk of disruption on 1 Jan, but not remove it entirely.

- Rather than preventing new burdens on GB-NI traders, the UK gov's approach now is to cover the costs of them. Whilst this is welcome for now, there are questions as to whether this can be sustainable in the long-run.

So that was my big-picture look at some specific aspects of GB-NI trade after the end of transition. But there remain many sector-specific challenges as @ManufacturingNI @Freight_NI and @MichaelAodhan can tell you all about.

And the implications of the TCA for the Northern Ireland Protocol aren't only about the border as @DPhinnemore and @hayward_katy will tell you.

The hard work on the protocol still isn't over, but let's not forget at the beginning of this month we close to a crisis in UK-EU relations with the UK threat to break international law. Hopefully a deal paves the way for constructive long-term cooperation https://t.co/OE1n1e84aZ