

Baroness Neville-Rolfe DBE CMG Minister of State Cabinet Office 70 Whitehall London SW1A 2AS

Paul Davies MS Chair, Economy, Trade and Rural Affairs Committee Senedd Cymru

20 February 2024

Dear Chair,

BORDER TARGET OPERATING MODEL

Thank you for the invitation to attend the Economy, Trade and Rural Affairs Committee on Wednesday 7 February. I enjoyed speaking to you and your members, and continuing the spirit of cooperation that I believe has defined our work with the Welsh Government.

Thank you also for your letter of Tuesday 13 February. I agreed to write and I am happy to provide clarity on the points you raised.

Landbridge Movements

You and Samuel Kurtz MS asked if the UK Government would set up further easements on the biosecurity controls for landbridge movements via Welsh ports, whereby EU goods enter GB from Ireland and continue through to the European Union.

Through the Border Target Operating Model (BTOM), we are introducing a simplified and effective system of biosecurity controls to manage the risk of landbridge movements of these goods through Great Britain. In line with the BTOM, we have already introduced pre-notification and health certification for SPS goods and will introduce physical and ID checks. Our approach minimises friction at the border and the administrative burden to traders. We are taking a pragmatic approach and will only undertake checks where they are required to protect biosecurity. However I will continue to discuss further how we make trade flow as freely as possible whilst protecting human, plant and animal health with Ministerial colleagues. I note your concerns around the potential for trade diversion.

UK Government Engagement with Welsh Organisations

We ran a comprehensive programme of engagement following the draft publication of the BTOM in April 2023. There was a series of online and physical events to which all affected parties were invited. This included major trade bodies, including the British Chamber of Commerce and the Fresh Produce Consortium, who have a Welsh contingent in their membership. These organisations were included in our engagement leading up to the implementation of the January 31st BTOM milestone and will be included in engagement

ahead of the April 30th milestone. We have also supported the Welsh Government with materials and information on the co-designed model to support their own engagement with industry. We continue to support colleagues in the Welsh government on the construction of BCP facilities in south west Wales and Holyhead which includes working closely with port operators at these sites.

Common User Charge

We expect to publish the Government's response to the 'Charging arrangements at government-run border control posts' public consultation in the coming weeks. This will confirm the final policy and rates.

UK-EU Discussions

I attended and opened the joint UK / EU Domestic Advisory Group (DAG) session at the start of January. This session focused on the BTOM including a session for stakeholders which was led by Directors from the Cabinet Office and Defra. This was a good opportunity for UK and EU trade associations to engage directly with the UK Government on their outstanding queries ahead of the BTOM implementation dates.

The UK Chief Veterinary Officer has engaged with counterparts across the EU in order to resolve issues such as ensuring availability of translated Export Health Certificates ahead of the first Border Target Operating Model milestone.

Officials are continuing to engage with top trading partners across the EU having already visited Belgium, the Netherlands, Denmark and Ireland. Further engagement is planned for Italy, Spain, Poland and Germany in 2024. Cabinet Office officials will also work with EU traders and stakeholders as part of our operational testing which will be starting in February.

Indirect movements of QNIGs

Thanks to the Windsor Framework, qualifying Northern Ireland goods will benefit from full unfettered access, regardless of whether they move directly or indirectly via Ireland. Legislation amending the definition of qualifying Northern Ireland goods was laid on 31 January alongside the publication of the <u>Safeguarding the Union</u> command paper—on which further guidance will be published shortly.

UK-EU Discussions on Windsor Framework

We engage regularly with the EU on the Windsor Framework arrangements. Under the Windsor Framework, we have established a number of joint UK-EU for a aimed at managing implementation as well as to consider proposed upcoming EU legislation. These include five new Joint Consultative Working Group structured sub-groups, as well as the new Special Goods Body.

Samuel Kurtz MS asked in particular about involvement of the Welsh Government at the Withdrawal Agreement Joint Committee. As I touched on, in line with the devolution settlement, the United Kingdom Government is responsible for international relations and attends the Joint Committee in that capacity. Ministers in the UK Government ensure that the Welsh Government, as well as the Scottish Government and the Northern Ireland Executive, are consulted as necessary in advance. The Review of Intergovernmental Relations established, among other groups, an Interministerial Group (IMG) on UK-EU TCA implementation that has been expanded to also cover Withdrawal Agreement

implementation and wider UK-EU relations. The IMG usually meets before each TCA Partnership Council and WA Joint Committee session to give ministers from the devolved administrations the opportunity to comment on and contribute to the agenda.

Data Gathering

Overall, industry have adapted successfully to post-Brexit regimes, including the introduction of full controls on GB exports to the EU in January 2021, the subsequent staged introduction of customs controls on EU imports to GB, and the introduction of Sanitary and Phytosanitary pre-notification and health certification requirements on EU imports to GB in January 2024. I acknowledge that businesses have had to work hard to adapt to new processes and that the Covid-19 pandemic and the war in Ukraine added supply chain pressures. However, we are not aware of any businesses that have ceased trading as a consequence of the BTOM.

Looking forward, the UK Government has made comprehensive plans to monitor the impact of the implementation of the BTOM. This includes monitoring Roll-on Roll-off freight volumes across all ports, customs declarations to understand changes to commodity imports, as well as the data on pre-notification and certification, which I mentioned. This is in addition to the monitoring of issues and resolutions regarding the BTOM implementation to ensure that emerging themes which would adversely affect trade flows are identified and mitigated.

Finally, I should also explain that since our conversation my colleague The Rt Hon Steve Baker MP has assumed responsibilities for the Windsor Framework within the Cabinet Office. He is now a joint Minister of State in both the Cabinet Office and at the Northern Ireland Office. I shall be working closely with him to ensure the BTOM and Windsor Framework are well aligned and we will continue working in lockstep to deliver a trading regime that works for the whole of the UK including Wales. I would be grateful if he could be included in our future correspondence as it relates to the Windsor Framework.

I am copying this letter to Rt Hon Steve Baker MP.

Baroness Neville-Rolfe DBE CMG

Warm regards Luy Neirlle-Rolfe