



Draft Protocols to create Alternative Arrangements for the Irish Border published by independent Commission

- “We believe we have set out a road map to a Brexit deal. It is now up to the new UK Prime Minister, the EU and the Irish Government to reach an agreement, which will also pass the House of Commons, before it’s too late,” say Nicky Morgan MP and Greg Hands MP

London, 18th July 2019 – The Prosperity UK Alternative Arrangements Commission has today published two Draft Protocols to create Alternative Arrangements, ensuring there is no hard border in Ireland and superseding the requirement for an Irish Backstop when the United Kingdom leaves the EU.

The independent Commission, chaired by Nicky Morgan MP and Greg Hands MP and supported by 23 technical experts, has spent three weeks consulting on its interim report and has also published a Final Report today.

Protocol AB adds an additional protocol into the existing Withdrawal Agreement and incorporates a list of UK obligations which, if satisfied, would mean that the Backstop Protocol would not be triggered, subject to dispute resolution via an independent arbitration mechanism.

Since these obligations are entirely on the UK side, it would be for the UK to ensure that the backstop is not triggered as long as it fulfils the commitments set out.

Protocol C is a standalone protocol that also delivers Alternative Arrangements in any other scenario. Since it is consistent with any new deal the UK might do with the EU, it could also be used to agree these arrangements as a fallback in the event of No Deal. It is intended to assist both sides in avoiding the challenges recently alluded to by both the Irish Government and the Department for the Economy in Northern Ireland.

Prosperity UK does not advocate any particular Brexit outcome. Its objective is to give the negotiators on both sides the tools to unblock the Brexit logjam and to create the basis for an agreement, thereby enabling a recovery in confidence for governments, citizens, businesses and investors across the EU and in the UK. We have also worked on the assumption that any solution must be compatible with the UK ultimately pursuing an independent trade and regulatory policy.

It will be up to the negotiators on both sides to come to an agreement that can pass the House of Commons, while also being acceptable to the European Commission and Parliament, the Irish Government and the people of Northern Ireland. We have presented two different ways in which this can be achieved.



Nicky Morgan MP said: “The team has worked really hard, taking feedback from stakeholders in Northern Ireland, Ireland and in Europe. The result is a detailed piece of work which we believe can clear the Brexit logjam by showing there is another way to ensure there is no hard border in Ireland while satisfying the supremacy of the Belfast-Good Friday Agreement.

“Our message to the EU is please take this Report and the Draft Protocols seriously. We believe this is a workable way forward and, judging by the positive initial responses of both of the candidates in the Conservative leadership race, we are confident that developing Alternative Arrangements to supersede the Backstop is in line with their own thinking on how to deliver Brexit by 31st October.”

Greg Hands MP said: “We would like to thank all those who we have met and who have submitted to our consultation. We recognise that resolving the Irish border issue to the satisfaction of all sides is not easy, but it can be done if we are constructive.

“Having spoken to colleagues on all sides in Parliament, including those who supported the successful Brady Amendment calling for Alternative Arrangements to the Backstop, I am confident we have the basis of something which could pass the House of Commons.

“The question for the EU and the Irish Government is can they respond positively to come to an agreement with the new British Prime Minister?”

Sir Paul Marshall, co-chair of Prosperity-UK, said: “On behalf of Prosperity-UK, I would like to thank the technical panel and also Nicky and Greg for chairing the Commission. They have done exactly what we hoped when we commissioned the work – acting as independent, good faith outsiders to help clear the Brexit logjam.”

In the Commission’s Final Report and the Draft Protocols, we have set out how Alternative arrangements might work. The key points are:

- Working Alternative Arrangements should be fully up and running within three years, with the ability to implement some measures considerably sooner.
- Alternative Arrangements are available through harnessing existing technologies and Customs best practice; futuristic high-tech solutions are not required.
- New technology has a role to support policy, but any technology suggested for deployment in the first instance is already in use elsewhere.
- A one size fits all solution should be avoided; instead people and traders should be given the maximum possible choice of options.
- A multi-tier trusted trader programme for large and medium sized companies should be introduced, with exemptions for the smallest companies.
- The use of transit in the general trading case to ensure no checks at the border.
- Building on the Single Epidemiological Unit, which currently exists on the Island of Ireland, we suggest a common Sanitary and Phyto-Sanitary (SPS) zone for the



UK and the Island of Ireland. If the UK decided to diverge materially in SPS rules, it would be up to the Northern Irish executive and the Northern Ireland Assembly, after consultation with the Northern-South Ministerial Council and the British-Irish Council, whether to align with the Irish and EU regime or the rest of the UK.

- In the event no common regulatory areas can be achieved, transit for the general case would include Sanitary and Phyto-Sanitary (SPS) checks to be carried out by mobile units away from the border using the existing EU Union Customs code or a common area for SPS measures.
- Enhanced Economic Zones, benefiting from relevant WTO exemptions, such as frontier traffic and national security, offer potentially valuable solutions which respect the realities of border and cross-border communities.
- A transitional adjustment fund paid for by the UK, to assist with the implementation of Alternative Arrangements on both sides of the Irish border for small businesses.
- A capacity building fund paid for by the UK, to support customs development for UK and IE governments.
- An independent arbitration panel and a specialist committee to advise on implementation.

Prosperity UK would like to thank the international law firm Herbert Smith Freehills LLP, which provided advice on, and assistance in, drafting the Protocols.

A full copy of the report is available on the Commission section at www.prosperity-uk.com/aacabout/

Contacts

Press enquiries

George Trefgarne / Charlotte Walsh, Boscobel & Partners
T: 07815 109514 / 07813 889660
prosperityuk@boscobelandpartners.com

Broadcast requests

Tessa McHugh, Boscobel & Partners
T:07445 786591
tmchugh@boscobelandpartners.com



Launch and registration requests

A launch for members of the media and other interested parties is being held at 10am in Westminster today, please see at www.prosperity-uk.com or email prosperityuk@fingerprintevents.com for further details.

Notes to editors

Prosperity UK is a politically independent, not-for-profit platform chaired by Sir Paul Marshall and Lord Hill of Oareford, bringing together business leaders, academics and policy-makers to seek solutions to Brexit issues and to look constructively at a future outside the EU and at how the UK can build an open, dynamic and balanced economy which maximises prosperity for all.

The Backstop, as drafted in the current Withdrawal Agreement text, is intended to avoid a hard border in Ireland but could permanently hive Northern Ireland into a separate regulatory and Customs jurisdiction from the rest of the UK. It is at the heart of the UK Parliament's objections to the existing Withdrawal Agreement and of particular concern to Unionist opinion in Northern Ireland.

While the existing Withdrawal Agreement says the parties, "agree to agree a replacement to the Backstop", our consultation has exposed how understandings of the Backstop, and how it will be replaced, vary vastly across policy makers and stakeholders.