



Northern Ireland
Assembly

Committee for Agriculture, Environment and
Rural Affairs

OFFICIAL REPORT (Hansard)

Implementation of the Protocol on Ireland/Northern Ireland:
Department of Agriculture, Environment and Rural Affairs

4 June 2020

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Declan McAleer (Chairperson)
Mr Philip McGuigan (Deputy Chairperson)
Ms Clare Bailey
Mrs Rosemary Barton
Mr John Blair
Mr Maurice Bradley
Mr Harry Harvey
Mr William Irwin

Witnesses:

Mr Norman Fulton	Department of Agriculture, Environment and Rural Affairs
Mr Robert Huey	Department of Agriculture, Environment and Rural Affairs
Mr Mark Livingstone	Department of Agriculture, Environment and Rural Affairs
Dr Denis McMahon	Department of Agriculture, Environment and Rural Affairs

The Chairperson (Mr McAleer): I welcome the permanent secretary, Denis McMahon; Robert Huey, deputy secretary; Norman Fulton, deputy secretary with responsibility for food and farming; and Mark Livingstone, director of the Brexit contingency group. We will start off with Denis giving a briefing, and we will follow that with some questions from members. Denis, do you want to kick off?

Dr Denis McMahon (Department of Agriculture, Environment and Rural Affairs): Thank you very much, Chair. I want to start by adding a bit of additional context to the papers that we sent. I very much appreciate the invite here today. I am the newly installed — from 26 May — senior responsible owner (SRO) for the sanitary and phytosanitary (SPS) elements of the Northern Ireland protocol, and I felt that it was really important to have an early discussion with you. I know that we throw terms like "senior responsible owner" around; that means that I am the person who takes the blame for this at the end of it. It is a very serious responsibility. We have a lot of work to do and a very short time to do it in, so I am basically here to, amongst other things, ask for your help in taking forward this critical work. I will maybe come back to that.

Under the Northern Ireland protocol, the UK Government (UKG) agreed that, following our EU exit, Northern Ireland would, one, continue to align with EU rules on the importation of animals, plants and related goods and, two, form part of a common regulatory zone with the EU. The rules for this are laid down in EU legislation known as the Official Controls Regulation. The regulations require that, in order to protect public health and the health of animals and plants, all points of entry, such as ports and

airports, into the common regulatory zone must be designated by the EU. The term used by the EU is designation as "border control posts" to enable checks to be carried out. These checks are referred to as sanitary and phytosanitary checks — I know that Committee members will be aware of that, but it is worth saying it — or SPS checks. They are a critical element of the EU's biosecurity programme and facilitate the free movement of goods by helping to guarantee that member states are protected from public health risks and the incursion of animal and plant diseases.

Following the transition period, Great Britain will not be in the common regulatory zone, and it is likely that it will be regarded by the EU as a third-country trading partner. The EU therefore expects that full SPS import controls will be applied at designated points of entry for all those goods entering Northern Ireland from GB. It is important to clarify one point: these points of entry can be existing facilities that the EU designates or they can be reconfigured versions of existing facilities and, where necessary, extension of facilities. So, although the term "border control post" is used, it is really talking about a designation and it is sometimes a designation of an existing facility.

The designation must be formally approved by the European Commission for the type and volume of goods that it will handle. Normally, this process can take six months or more. While there are some existing facilities in Northern Ireland that meet these standards, namely at Belfast port and the two Belfast airports, they will not be sufficient to cater for the volume and categories of all existing agri-food movements between GB and Northern Ireland from 1 January 2021. The Executive have, therefore, agreed to enhance the existing facilities in order to meet EU requirements and to seek EU designations of these points of entry.

The Northern Ireland points of entry inspection regime currently maintains food-supply security and the import and export of live animals, plants and fish. The regime is paper-based, labour-intensive and representative of working patterns that existed before e-certification and electronic signatures became acceptable. The supporting infrastructure, including IT, is not of a sufficient standard — in fact, it is almost non-existent — and we have facilities that do not meet the demands of modern import/export management systems, regardless of the need for changes under the protocol. It is a good thing that we are doing some of this. We would appreciate more time to do it, but we are where we are on that.

There is undoubtedly a need to prepare to deliver against the legal requirements and to avoid, as far as possible, friction to trade and costs for the consumer, but there is also an important opportunity to support Northern Ireland in sustaining and attracting new business, transforming how we do things and making things easier for current business customers. This will involve digitisation of current processes while delivering significant efficiencies. Again, that is needed even without the proposed changes but, obviously, it is necessary under the protocol.

A Command Paper was published by the UK Government on 20 May. It included proposals on how the Northern Ireland protocol will be implemented, and it is important to note that this was the first time we really had a clear mandate, because it was clarity about the UK Government's position. In turn, that allowed the Executive to have a clear understanding and allowed the Executive and my Minister to agree that I would become the SRO and that the Department would take a lead role in making sure that this happens.

We are now moving from information gathering to active delivery planning. In anticipation that we will need to move quickly, DAERA has established new governance structures. For example, I chair a new operations project committee of the transition board, assisted by the relevant grade 3s, and two of the key people are with me today. We have Robert Huey, the Chief Veterinary Officer, who you will be familiar with, and Norman Fulton from the food and farming group, who, again, you will be familiar with. They have key roles on that. I also invited my colleague Mark Livingstone, who is the programme director for this and leads the work.

It is important to emphasise that, while some preliminary work had been done, we have only been in a position since 27 May 2020 to really develop options for a minimum viable product, which is really a way of saying the basic product to make things work to meet the requirements of the protocol. Our focus since then has been gathering the evidence to understand the trade flows, including types, volumes and timings coming into and going out of Northern Ireland; understanding the processes required to reduce friction on trade, as far as possible, while meeting the legal requirements of our statutory role, which is to carry out SPS checks at the point of entry; understanding the IT requirements to facilitate the movement of trade while seeking to minimise the impacts on traders; and understanding the minimum requirements for each of the designated, or potentially designated, points of entry to Northern Ireland that will meet EU specifications.

We are now collecting evidence to inform the development of options. For example, we have identified that approximately 200 lorries travel from GB to Northern Ireland by ferry every day to deliver fresh food to our retailers, and the majority of these goods are distributed through a small number of large retailers. We therefore need processes and systems to ensure that access is as frictionless as possible. They need to support just-in-time food supply, ensure that the quality of our food is protected, meet key biosecurity requirements and align with current and future legal requirements.

The design for the work, as I said, is based on the minimum viable product that will meet day-one requirements for transition, a product that may, in time, be developed further. The key elements are redesigning our inspection processes to include local council responsibilities aligning with HM Revenue and Customs and Border Force; digitising as much of the information as possible to allow traders to enter details once, using IT systems to undertake as many checks as possible; use of risk-based inspection methodology aimed at keeping trade flowing in line with legal requirements; communications to ensure that traders and our staff are aware of the new requirements in good time, and this will be achieved by developing guidance and training and we will also need to improve awareness among staff and traders; and development of a user specification for points of entry, highlighting how and the extent to which existing facilities can be adapted, expanded and used to implement the Northern Ireland protocol. We will, of course, seek to repurpose or expand existing infrastructure as far as is possible and necessary.

The UK Government have recently restated their priority to support the Northern Ireland Executive to implement the Northern Ireland protocol. It is the intention of our Minister — *[Interruption.]* Sorry, am I running out of time? Apologies, I thought that you were pointing at me. I am nearly finished.

It is the intention of our Minister, supported by officials, to hold them to that. The UK Government have confirmed that they will provide the Northern Ireland Executive with support and expertise to deliver the project, but this is not the only support that we need. Importantly, the success of this project is not entirely within our control. We will need the help of the UK Government and the EU to make this work; they will need to help us work through these issues over the coming weeks and months. Basically, the simpler the processes, whilst maintaining biosecurity, promoting public health and complying with the law, the more likely it is that we will be able to succeed in our aim of reducing trade friction. That is in everybody's interests.

We are therefore engaging with DEFRA colleagues in the following areas: feeding into wider UKG/EU negotiations; obtaining specialist advice; working with businesses, including communications campaigns; IT system development, including performance capacity improvements to existing systems; discussions with the EU to secure approval of points of entry by the end of December 2020; and working with HM Treasury to ensure that funding is provided to cover the costs of delivery. For example, engagement with retailers and suppliers has been almost entirely focused on the pandemic, and most stakeholders have indicated that they will struggle to cope with the additional burden of transition. We are therefore developing a plan to engage closely with all key stakeholders, and that builds on arrangements that we have at the minute, where we meet the representatives of the entire agri-food sector, from farm to fork, every Wednesday.

Food supply chains have never been more prominent, as a result of the COVID-19 pandemic, and they have proved to be very resilient. Some 60% of UK food imports are from the EU, and 70% of the retail food supplied to Northern Ireland comes from GB. To put it bluntly, we all need to make this work.

In summary, we have a huge task ahead of us and very little time to accomplish it. Our delivery assessment at the moment is amber/red. The gateway definition of that is:

"successful delivery of the programme or project is in doubt with major risks or issues apparent in a number of key areas; urgent action is needed to ensure these are addressed, and whether resolution is feasible".

That means that we will need to work very hard and take all the help that we can get. We will need the UK Government to continue to provide the support that they have promised, and we will need to work with all our partners, including the ports, local government, the Food Standards Agency and customs to deliver a pragmatic approach that secures public health and biosecurity within the statutory framework.

Finally, we will need your understanding, support, goodwill — hopefully — and scrutiny. The timelines mean that this process will be hugely challenging, and it will not be smooth; we might as well be

honest about that up front. So, having people respectfully marking our homework in a way that helps us to move forward will be essential, because it is quite easy in the middle of a project like this, where you are running at 100 mph, to miss something. So, this is where we really do need that help. We will have our own project structures, but the Committee will have a great role in this because members will hear a lot of things on the ground. Furthermore, as the process continues, the situation will change and we will need to come back to seek your views and help at those key points in the process if we find out new information.

I hope that this has been a helpful overview, and we are happy to take questions on any issues that it has raised for you.

The Chairperson (Mr McAleer): Thank you very much, Denis, for that comprehensive briefing. No doubt, members will have questions, because, coming on top of the COVID pandemic, although it is the last thing that people need, it is a very serious issue.

Obviously, the EU has to designate various ports — effectively, approve them — for entry and exit into the single market. Can you give me an update on what stage the ports — such as Larne, Warrenpoint and Belfast — are at in moving towards that designation? I noted from the briefing papers that one of the delivery team's next steps is understanding the minimum EU requirements for designation. Are you completely clear on what you need to bring those ports up to scratch? What stage is each of those ports at in the process and what is the likelihood of them getting everything in place in time?

Dr McMahon: Robert is itching to get answering that; I can feel him beside me. From the minute that we got the go-ahead to do this, we arranged urgent meetings with the ports. We had meetings with Larne, last week, and Belfast and Warrenpoint, and we have further meetings planned for the coming days. Those meetings have involved detailed discussions, but they are a starter for 10 because the Command Paper, and the subsequent agreement of the Executive on the back of it, gives us the freedom to have a proper planning session. So, to answer your question, they are aware of what we need to do. We are going to work with them to get the applications through. Robert will be happy to talk a bit more about the process of doing that. Our meetings with them have not just been meetings; they have been planning sessions, at which we have had large numbers of people, including councils. The idea is to get people to start planning, so we are already there.

Robert, do you want to say a bit more about what is involved next and how we take it forward?

Mr Robert Huey (Department of Agriculture, Environment and Rural Affairs): If I could just take it back a wee bit to set the expectations. There is a recognition that a smooth end to the transition is no longer possible; that cannot be delivered. So let us start with that realisation. What we are looking at, and what Mark's programme is trying to deliver, is a minimum viable product (MVP) to keep product moving and to keep food on shelves on 1 January 2021. That is how serious it is.

Do we know what we need to do? Yes, we do, because it is all codified in the Official Controls Regulation 2017/625 (OCR) and in a couple of other pieces of delegated legislation. The exact detail down to the number of toilets, literally, the number of inspection rooms, the number of places to wash your hands and the separation that is required, is all codified, so we know exactly what a minimum viable product looks like.

The last date to expect the Commission to do the work that it would need to do to designate border control posts was 31 March. However, in an exchange of letters between the Commission and the Chief Veterinary Officer UK (CVOUK), which I think you have seen, the Commission gave us an extension to the end of June to provide it with outline drafts of what border control posts we wish to designate, which ones we have, which ones we are going to extend and which other ones we think we need. That work has to be done, in effect, by 23 or 24 June in order for it to go through a Whitehall process.

That entails getting to the stage in the project where Mark makes a recommendation to me that he thinks that we are there, I write to the CVOUK, and she writes to the Commission. The Commission, in the legislation, can take three months to consider that, and then it may or may not, in the legislation, decide to make a visit. The Commission will visit; it will not just wave us through. A visit will be under the Commission's external controls process, and it will come to, to use Denis's phrase, "mark our homework" as to how we have done. We hope that they will mark our homework about the designation of the border control posts in the light of where we are and where we are going.

To be frank, if the politics are wrong, this could be an exam that we cannot pass; if the politics are right, I am confident that we can get there, with the minimum viable product. However, it will not be bells and whistles. It probably will be temporary buildings, identifying the space that we need in the ports and making the best use of it to fulfil the requirements that the Commission has of us. None of this is easy. However, I have been very encouraged by the contacts that Mark has organised so far with each of the ports. Perhaps he could cover some of the detail of that.

Mr Mark Livingstone (Department of Agriculture, Environment and Rural Affairs): Of course, can you hear me OK?

Some Members: Yes.

Mr Livingstone: Quite simply, we are pulling together a programme team, as Denis described. I am the programme director for it. We have a range of work streams; port capacity prior to 27 May was one of them. We did quite a bit of work in the background on the designations for each of the ports. We have to enhance or expand the designations at most of the ports: Belfast, Larne, Warrenpoint, Foyle and the three airports.

I will talk through Larne as a complex but simple example. Currently, most, if not all, of our live animals come through Larne. Food also comes through Larne. For example, Asda delivers most of its food through Larne. Under current EU regulations, if we apply OCR, food cannot come through Larne because it is not even designated as a border control post so it is not designated as a point of entry. That is the difficulty that you can see right there. As the permanent secretary indicated, we had an initial planning meeting to outline our proposals to designate Larne as a point of entry and the requirements to do so. We followed that up with a quick workshop to get into the real detail and the weeds of what needs to be done and what can be done. I have architects and engineers out today walking around with my work stream lead to identify which buildings could or could not be used and what facilities can be used to allow the infrastructure to be considered.

That is the sort of pace that we are working at. We had the meeting with Larne last Friday, and we have already had three fairly significant planning meetings about developing a plan for implementation delivery, which we really do need to have in place by the middle third week in June. We will repeat that process for each of the points of entry. The team has been stood up now to work seven days a week, given the pressures that we are working to, and is being supported by the right people. We are also engaging with all the key stakeholders. I propose, Denis, with your permission, at some stage to write to the Committee with the details of that, because it is quite a complex process. We are working at 100 mph just to get all this done, but there is a real will to do it and to meet the Minister's expectations that we support the commercial entities of the ports as they exist at the minute. There is a real opportunity as well to achieve something really good for Northern Ireland.

The Chairperson (Mr McAleer): Mark, you mentioned Larne. What is the status of the other points of entry?

Mr Livingstone: Belfast is a designated point of entry but does not cover all the key aspects. For example — I do not want to use too many technical terms because I not fully understand them all myself just yet — the Belfast point of entry does not include ambient foods. So, all the food that comes in from Marks and Spencer, Tesco etc would not be covered if Belfast did not redesignate and expand and enhance itself as a point of entry to cover that sort of thing.

That is the detail that we are getting into. I have a third planning session with Belfast on Monday to get into the detail of that and repeat the process for Larne.

The Chairperson (Mr McAleer): Good. Before we move round again, one of the key things is that the British Government say that they will work with the Executive to make all this happen. I suppose the burning question is: who is going to pay for it?

Dr McMahon: There are some helpful words — although not a cheque — in the document, where they talk about working with HM Treasury to get us additional resource. We are taking the view that it has to be done. I have now written, twice, to officials in DEFRA, as it is our main point of contact with the UK Government. Obviously, however, we put it through central governance structures in TEO as well.

Basically, the intention is that if money is needed for this, we will seek support from the Treasury. Whether we get it, and how much we get, to be fair to everybody, it is important to scope it out properly. Over the coming weeks, as Mark and Robert said, we are talking about the applications, which are right up front. To put the applications in for designation, we need to have a good sense of the plans, and, at that point, our costings will be better. However, our costings will have to be as streamlined as possible, because I think that that is what everybody wants.

A big part of this, where the two things interact, is how simple the processes are, and that is where the negotiations come into play. The simpler the processes, the easier it makes it, notwithstanding, as Robert says, that there are very specific things that need to be built in, but it just makes it easier, because, for example, there will be fewer delays.

Mr Blair: I thank Denis and the senior team for bringing us this detail. It has given me much more detail than I have been able to glean through various Assembly questions for written answer and attempts through the Minister's office to get information about the infrastructure required for the protocol. At least, I am better informed than I was after my previous attempts, but it brings not a few concerns.

For example, page 15 of the detailed report tells me that the DAERA transitional operation delivery team started work on 27 May and that that work was initiated to deliver the MVP, and the next steps are, apparently, gathering evidence. I hardly need to remind you, Chair, or those present, that we are already halfway through the year and that the deadline is December. I think that Robert mentioned this a moment ago, but I need to ask again for clarification: is this simply a serious challenge, if such a thing could ever be called simple, is it doable at all? To drill down into some detail, as these are very important matters to me, what resources have already been dedicated to delivering this, and were those resources brought from other front-line services? Will additional resources be available? I am specifically speaking of the staff required to deliver the frameworks, or will that staff resource also have to be brought in from existing DAERA services elsewhere? Is the funding available? I am also obliged to ask how much of this is the result of the fact that it was only in recent weeks that the UK Government acknowledged the need to set up the protocol infrastructure, and if that clarification had been brought in earlier, would we be in a better place?

Dr McMahon: Through the Chair, I can answer a few of those. To start with your last one, a realm of this is politics; therefore it is not appropriate for me to comment on it in too much detail. I will not defend the Minister's position, but it is my job to explain it. The Minister's position was very clear, as was, for that matter, the Executive's, that there needed to be clarity on this. That is still the case.

To give you a very real example, if we have a set of consignments and a lorry, and each consignment requires a separate export health certificate, and you just apply the processes in a very straightforward way, then, depending on how some of the businesses run at the minute, you may have hundreds of consignments. With whatever infrastructure and whatever processes you put in place, how you get that to work while avoiding friction on trade is difficult to see. Therefore, there are still points of clarity that we need. However, the Minister wanted to make sure that we had commitments from the UK Government as to what would be done to make sure that such frictions would be avoided as far as possible. I do not want to speak for the Minister other than to say that his view was that, while it is not perfect, there were some concessions that were helpful. Certainly, some of the clarification was not just helpful but absolutely necessary, because you cannot start a programme like this unless you have agreement.

With regard to resources, and I think that Mark has hinted at it already, we have tried as far as we possibly can — it was one of the issues in our first-day brief — to do what we could without cutting across that clear political line. We did that as much as we could. In fairness, COVID-19 did have an impact. For example, we could have had conversations with the ports, without prejudice, on planning. However, we could only have taken that so far. We have been gathering whatever information we could, we have been building up a team, and we are ramping that team up very rapidly. However, it is important to say, and this is why we put it in, that the project does not start until it has approval to start. That is why I have been very clear about that. We have had people working and doing what they could behind the scenes as far as they could within the constraints, but we could not actually start the project. Now, we are moving straight into, "OK, let us have an adult conversation about what is involved and what the plans look like".

Will that have an impact? Clearly, we are already taking resources, so Mark has people arriving by the day and is building up a team, and we are using our best people to do the planning and design work; they are all good people in DAERA. However, we are bringing in people who have the skills and the

expertise. As SRO, that gives me enough confidence. If it was red, I would say that it was red; I have been open today about the fact that it is red/amber. It could go red. If we do not get a bit of leeway on some of the support that we need from UKG, it will go red. I will say that and tell the Committee that, and then we will have to think about other contingency arrangements. I am confident that we have really good people in place. I have personally chaired the meetings with the ports, so the fact that I am and will be involved in this gives you a sense of the role. It is not often that a permanent secretary will do that, for a number of reasons. I am doing it because, for me, it is a top priority for Northern Ireland. I am confident, but I am confident on a red/amber basis, right? There are some big things that need to be sorted out.

There will be an impact when it comes to the running of the project, but, again, we are planning ahead. A lot of that will depend on the process. We know how many lorries come through, and we know that some of those lorries have very mixed consignments at the moment. That, then, determines staffing numbers. That will, of course, mean that we will have to find ways of staffing the project. Robert can tell me if I am wrong, but I am not as worried about that right now. My big concern now is getting the plans in place, getting the applications in and getting the IT there. The central point, however, is to get the support from UKG and in the negotiations with the EU for a pragmatic approach. I do not know if that is helpful to you. Do you have anything to add, Robert?

Mr Huey: To put it in common parlance, when I burst through my previous boss's door — my boss before Denis — with some big problem, he would look up calmly and say, "Have you an issue, a problem, a big problem or a crisis?". It is a big problem, but it is not yet a crisis. I think that is about where it is at.

The Chairperson (Mr McAleer): You summed it up very nicely, Robert.

Mr Harvey: First, thank you, Denis, Mark and Robert. Norman, you are part of the furniture now. Most of my questions have been asked, so I will just ask for a wee bit of clarity. The EU has designated all the areas. Is that nailed down and finalised, or is it still fluid? Might it add in a few more? As well as that, it has told you exactly what it expects of you, that we have to supply it and that it will then come and check it. Can I have a wee bit more clarity on that?

Mr Huey: There is a little bit on the sanitary and phytosanitary elements, which is where, I think, this takes us. That has its roots in the WTO. After you have done a trade agreement, the WTO allows any trading bloc or country to bring in additional measures to protect animal health, plant health and public health — and, in fact, animal welfare now. For example, if the EU had concerns about another country where there may be foot-and-mouth disease or African swine fever, it would have a legitimate reason to ask for additional guarantees or to put other things in place in order to ensure that those viruses were not brought in with the meat.

The easiest way to think about it is that Northern Ireland, along with Ireland, is now part of the EU single market, which is different from that in GB after we leave. The EU wishes to protect its animal health, public health and animal welfare, and the whole SPS control regime is about that and nothing else. It is about protecting animal health, public health, animal welfare and plant health in the European Union single market. On day one, obviously, the standards will be exactly the same, so the risk to the single market from Great Britain will be minimal, if it exists. However, as GB derogates from EU standards or brings in products through trade agreements from other countries that do not meet EU standards, the effort will be to keep those materials out of Northern Ireland. That is what the SPS and the border control posts — the whole thing — is about. That is the easiest way to describe it.

The scope is very broad. It is not just about animals and food of animal origin; it is about high-risk products not of animal origin, such as feeding stuff. There are big concerns about that and aflatoxins and things. It is about fish, shellfish and manure, because there could be a risk with that. It is about not just livestock and horses but pets, live fish and aquaculture. The scope is hugely broad.

The border control posts that we bring in and for which we ask for a designation are specifically for certain products. The one for farm livestock does not cover you for horses; that is a different designation. It does not cover you for pets or commercial pets. There are a number of designations that we have to work our way through, and we have to work out what our minimum viable product is and what we can actually deliver. For me, the priority at the moment is to be able to bring in fresh food and live animals on day one. There will be all kinds of problems if we cannot bring in animal by-products and all sorts of other things, but my priorities are to ensure that we can keep fresh food on shelves, with those 200 containers a day that come in through Larne and Belfast continuing to come in

to serve the supermarkets, and that livestock can come through at a border control post. Those are my two big priorities.

There are already designated ports for plants to come in through the airport — that means flowers from all over the world and all that kind of stuff that comes in — and that is very good and very useful to us. However, this is difficult and is not where you would plan to be, but with the cooperation that we are getting so far from DEFRA, from our own folks and from the industry, it is doable. I come back to the point again that there are things that are outside our control: if the politics get in the way, the politics get in the way, or the negotiations may get in the way. We will do what we can do and control what we can control.

Dr McMahon: I will add a word to that. We have been very honest with you, but I do not want to appear negative, because there are actually opportunities in this as well. If we can get this right, there is real win-win in it all, and your question is good, because there are opportunities to then expand in the future. There are opportunities for the ports and for other businesses. It is like anything else in that real, good things could come out of it. However, I just want to get through the next six months first.

Mr Huey: Three weeks.

Dr McMahon: Well, three weeks. *[Laughter.]* Thank you, Robert, that is very helpful. That has brought it down again anyway.

Mr Harvey: Thank you for your confident answers. They were very good. Your number-one thing is, obviously, that we have food on the tables. That is the most important thing. As you said and emphasised, on day one, we will literally be the same, so it is about what happens as time goes on. So, yes, very good. I appreciate it.

Mrs Barton: I am going to drill down a little bit more into the movement of goods between Northern Ireland and England etc. If you look at page 29, you will see that it talks about trade going from Northern Ireland to the rest of the UK:

"Trade going from Northern Ireland to the rest of the UK: this should take place as it does now. There should be no additional process or paperwork and there will be no restrictions on Northern Ireland goods arriving in the rest of the UK - that is, there will be unfettered access, as provided for by the Protocol."

Does that mean that goods that are coming into Northern Ireland from the Republic or any other EU country via the Republic will have unfettered access to GB without restrictions? In other words, does that apply to goods that are coming from the Republic into Northern Ireland and then moving through Northern Ireland into England?

Dr McMahon: I would not mind deferring to my colleague in the corner. Norman, are you happy enough to say a few words about that?

Mr Norman Fulton (Department of Agriculture, Environment and Rural Affairs): Unfettered access is for Northern Ireland only, so if product is moving through Northern Ireland, from, say — this is from the Command Paper — GB through Northern Ireland to the Republic of Ireland, effectively, that should be no different to product moving from GB across to France. Therefore, if there are tariff issues involved, that should apply. Unfettered trade for Northern Ireland in GB is exactly that: it is for Northern Ireland.

There is an issue that is still to be defined and addressed, and that is the designation of the permitted, Northern Ireland goods. Later this year there will be set in legislation the definition of unfettered access and what that means. That is a commitment that has been given by the UK Government, so we will have full clarity on that. Unfettered access is for Northern Ireland.

Mrs Barton: So, goods coming from the Republic through Northern Ireland and into England have unfettered access.

Mr Fulton: No. The process should be no different to the product going directly from Dublin to GB or from France to GB. Whatever the processes are or whatever the tariff regimes may be, if the product is coming from the Republic of Ireland through Northern Ireland and then to GB, it is coming from the

Republic of Ireland, and that is not captured in unfettered access. Unfettered access is only for Northern Ireland.

Mrs Barton: Paragraph 23 of the Northern Ireland protocol document states:

"These arrangements will not cover goods travelling from Ireland or the rest of the EU being exported to Great Britain. The UK's customs and regulatory regime will apply to EU goods and businesses exporting to Great Britain, subject of course to any preferential terms we agree through a Free Trade Agreement."

How do you find those goods if there are no checks for goods going from Northern Ireland to GB? You know, if you have goods going on to the Republic?

Dr McMahon: That is a good question. The UK Government's Command Paper is clear about unfettered access from Northern Ireland to GB. Maybe some of this has moved on, but there certainly have been questions about to what extent something could be considered a Northern Ireland product because everything is so interconnected and supply chains are so interconnected.

All that I can go back to is the Command Paper. On page 10, it refers to:

"Unfettered access for Northern Ireland's businesses to the rest of the UK".

That includes:

*"No import customs declarations ... ;
No entry summary ... ;
No tariffs applied ... ;
No customs checks;
No ... regulatory checks".*

We will not be doing any of those checks, so what GB puts in place, in due course, will be a matter for the UK Government.

Mr Huey: Generally, the rule is that the importing country sets the standard, so GB, as an independent country, will set its own standards for import checks to protect its own public health and tariff regime.

I believe that there is another paper coming out of Whitehall in the next few days that will lay out for my area of SPS the checks that the UK Government are intending for imports from European countries and how they are going to do it in the short and long term. Obviously, there are a lot of preparations, with more border control posts and additional structure, that they would need in order to do that and to cover goods coming through Northern Ireland that Rosemary asked about.

The answer is we do not know yet because we are still waiting for almost another Command Paper to deal with imports from the European Union into Great Britain. I am not sure at this moment — I will not know until I see it — whether that will cover Northern Ireland into Great Britain. So, paper pending.

Dr McMahon: You have hit the nail on the head. That is exactly the question but, at this stage, not for us. Having said that, there is great reassurance in the clarity for Northern Ireland businesses of unfettered access, but it does create a challenge of how you separate those out from other products. It is important to do that so that we do not find our businesses disadvantaged.

Mrs Barton: Paragraph 17(2), entitled 'Trade going from the rest of the UK to Northern Ireland', states:

"we will not levy tariffs on goods remaining within the UK customs territory".

That is OK. It continues:

"Only those goods ultimately entering Ireland or the rest of the EU, or at clear and substantial risk of doing so, will face tariffs".

How will goods entering Northern Ireland be checked to establish whether they remain in Northern Ireland or are going into the EU via the Republic?

Dr McMahon: That is one of the processes that we will be looking at. We talked about the information systems that are being set up, so we will be looking at that as part of that.

Mr Livingstone: That is basically it, Rosemary. The processes that we are developing will include customs clearance and be part of that declaration as the goods come across. Those processes have yet to be developed.

Dr McMahon: We are working closely with HMRC.

Mr Fulton: There are two separate issues here. When product is coming within the regulatory zone of the EU — it passes the SPS check — it can go anywhere from an SPS perspective. It has passed the requirements of entering the EU regulatory zone. Customs is a separate issue, and there is a separate control, so the product may move on through Northern Ireland, and that is when it becomes subject to a customs procedure. If it stays within Northern Ireland, within the UK customs zone, it does not, and that is what the Command Paper states. So, there are two separate, although connected, issues. There is a certain amount of overlap, but you have to remember that they are separate concepts.

Dr McMahon: Robert, it might be worth saying something about the connection, if you are happy enough to do so.

Mr Huey: It is our aim and our process, which Mark is working through, to ensure that there is a common entry document and that the enforcement authorities — whether that is us, or, importantly, HMRC, Border Force or any other agency — work together and that there is a single one-stop shop. The existing European systems are, in fact, set up to enable that to happen. The authority that controls the movement and, finally, releases a consignment from a border control post is, in fact, customs, because it has that power under legislation and I do not. We all identify on the system that a consignment is coming in. We identify whether we need to do checks on it and what those checks are, but it is customs that finally says that the consignment is OK to go and enter the single market. It has control, so we have to work together.

Mrs Barton: I ask that because, in Fermanagh, we have a steel fabrication business. The steel is coming in from Great Britain and is being fabricated in Northern Ireland, and some of it is then moving into the Republic. That is where the issue will be.

Dr McMahon: This is where the discussions at the Joint Committee will be so important.

Mrs Barton: My final question is about the agri-food that is produced as a raw product here in Northern Ireland, goes to the Republic for processing and then goes to GB. How is that dealt with?

Mr Huey: As far as SPS is concerned, it is coming from the single market and is being imported into GB. It is up to GB's controls, but I cannot see why it would be anything other than unfettered and why there would be any controls applied on that.

Mrs Barton: From the Republic back in, yes.

Mr Fulton: I think that the other thing that you have to remember is that that trade will be critically dependent on the nature of the agreement between the UK and the EU from the trade talks that are ongoing as we speak. Therefore, I suppose, the answer to that question really depends on the outcome of those trade negotiations. If there is a zero-tariff, zero-quota trade arrangement between the UK and the EU, these issues do not emerge as a problem. So, it is critically dependent on the nature of that trading agreement that eventually emerges.

Mr McGuigan: That was very useful, and some of the information provided was very stark. I appreciate the information. I noted the other day, Chair, that one of the other Statutory Committees wrote to the British Government regarding issues around Brexit, including the issue of an extension, so that might be something that this Committee could consider doing.

A lot of the questions that I was going to raise have been raised by others in some respects. I note that HMRC recently launched a £50 million scheme in Kent for training and guidance for businesses. Is something similar likely to be launched to support businesses here? As will be part of all my questions, who would pay for that?

You talked about the importance of the Committee and keeping us up to date and out having a watchful eye on the work that you are doing. Will we have access to the readiness report in June?

I have a few caveats to some of the questions that were asked. I think that it was said that, currently, Larne and Belfast can deal with or are prepared to deal with products of animal origins or high-risk foods. In that case, what happens with the ports at Foyle and Warrenpoint? Do they have to invest in their infrastructure facilities to meet those demands? You said that the British Government talked about resources but did not give a firm commitment. My understanding is that the British Secretary of State confirmed to local ports that additional infrastructure would be required, and the British Government would pay for it. I was going to ask you whether that is accurate, but I think that I know what the answer will be.

Dr McMahon: I do not want to be too stark, and, to be fair, they referred to it in the Command Paper. We have had very good dealings with DEFRA. Even prior to the resumption of the Assembly, the Treasury was helpful when we went to it. I think that we will get funding. The point that I was trying to make is that there is no specific cheque, and, to be fair to them, there is no specific ask at this stage. We are working that up.

You asked whether there would be training. There must be training; it is absolutely central. We will work with companies and build that into the programme. It is about clarity in what we are doing. In a sense, we are trying to do a lot of this in parallel, and I expect the funding to help with that. The Minister is very keen that, if, at the end of all this, there are any frictions left that have an impact on businesses, they should be paid for. I hope that I am quoting the Minister correctly on his position.

Sorry, Philip, I missed your second question.

Mr McGuigan: It was about the readiness report in June.

Dr McMahon: We are happy to keep you updated on all the issues. We have been very open with you today. We will do a gateway review. There is a thing about gateway reviews not being released. The only reason for that is that, as part of project management, we need to ensure that people are not afraid to say what they think. I gave you the delivery assessment today, and we will certainly give you a summary of the issues so that people do not feel that we are breaching confidences. We are very happy to do that, and, to be honest, we need to do it.

You asked about Foyle and Warrenpoint. We had a meeting with Warrenpoint on Monday past. Mark, you had some initial discussions with Foyle, did you not? Do you want to say anything? We are arranging another meeting.

Mr Livingstone: Yes, we are arranging another meeting with Foyle. I will pick up on your key points. We are looking at the designations for all the points of entry — all the ports and airports. We are looking to expand where we can to meet that capability. We need to expand Larne to allow fresh foods to come in, and we need to expand Belfast. We probably need to expand Warrenpoint, because my understanding is, from our recent evidence gathering, that some foodstuff comes in through Warrenpoint, although not as much as through Belfast and Larne, which are pretty much the main entry points, with 60% or 70% coming in through Belfast and the remainder mostly through Larne. I can provide the Committee with a written update on the detail of that in due course

Mr Huey: Philip, the training is not as big a lift as the North/South issues that we faced with no deal. An awful lot of the heavy lifting will happen in GB because businesses there will have to get certificates and do a lot of the customs paperwork to move material into Northern Ireland. We will deal with the importing businesses, but that will mainly be with ports and hauliers, who are well up to speed because they already work internationally and know the processes. Compared with what we faced with no deal, this training is easier. Dare I say that anything about this is easier than anything else? However, this is. This is doable.

Ms Bailey: Thank you very much for coming here today, for being so open and honest about where you are at, and for pointing out, in no uncertain terms, that this will not be a smooth transition.

I want to ask about money. Has the work to date cost the Northern Ireland Executive money that has not come from UKG? You said that, as yet, there has been no cheque, but a lot of work has been done. How is that working out? What is the way forward on that?

Looking at the papers, I see that DAERA has to provide a legally binding framework to ensure unconstrained access for Northern Ireland businesses to GB. Must that be compliant with the protocol? Will that be UK law? What will that look like? How far on are you with that? There is an apparent contradiction with the protocol under article 5, which commits to applying the EU customs union code. Can you give us a wee bit more detail on that legal framework? I ask you that because you have told us about the MVP and the potential derogation measures. As a Committee, we are already looking at the three Westminster Bills: the Agriculture Bill, the Environment Bill and the Fisheries Bill. We are hearing about potential amendments to lower food and environmental standards. I assume, then, that, if those standards are lowered, that will have an impact on the MVP here. That might be a fluid and ongoing issue for five or 10 years down the line if those derogations continue. How will that impact here? Will it have a potential impact on the legal framework?

Dr McMahon: There is quite a lot there. First, resources are difficult to distinguish exactly because many of the resources that we have put into this are staffing resources. Frankly, in official terms, we have a total headcount of 297 people working on Brexit in the Department. Our projected requirement is for 454 EU exit posts. At times, it feels like we are all working on it. It depends on the situation. So much has happened recently. For example, Mark, who was brought in to lead on that, has been working on food security issues during the COVID-19 situation to ensure that supply chains are running. We have had to move people around at great speed.

With your agreement, and with that general caveat about it being difficult to pin down the people piece exactly, I will take it back and double-check to see whether there have been any project costs that we want to summarise in a letter, just in case there are other issues, such as consultancy, of which I am not aware. I do not want to mislead you. I am not sure that there will be many such issues, but we will give you a basic assessment of the number of people and how that has impacted, as best we can.

Robert or Norman, are you happy to comment on the legal side of it?

Mr Huey: I will comment a little on the costs. Clare, commercially, the issue is quite complex. There is the capital cost to build something. That is very obvious. There are the additional costs to industry of compliance. Then, in legislation, the service that is delivered by a border control post must have full cost recovery. That is mandatory. Therefore, importers will be charged for SPS checks, at a basic full cost recovery. That is because the Commission wanted to be sure that every country financed its border control posts properly and did not put the integrity of the union at risk. There is varying detail, from article 78 onwards, on exactly how you calculate what you charge people for those checks. A border control post is normally built like a meat plant; as a commercial operation from which people can make money, because there are fixed charges, and it must, at least, cover its costs, if not make a profit. We are in an unusual position here because, normally, a private individual comes along and builds a border control post where it is needed, in order to have a commercial business. The finances around that are really quite complicated. For the moment, we are concentrating on what Northern Ireland needs, what we need to ask for on 22 June or thereabouts and how we will deliver it. Honestly, that is almost enough.

Dr McMahon: Norman, do you want to talk about the protocol?

Mr Fulton: The protocol — I cannot remember the exact words — says something to the effect that there is nothing in the protocol to impair the unfettered movement of goods from Northern Ireland to GB. It is wording to that effect. That is stated clearly in the protocol. It says, in effect, that these matters — NI to GB — are within the gift of the UK Government. We now have a clear statement in the Command Paper of the position of the UK Government when it comes to the movements of goods from NI to GB. A pretty clear position is laid out on that.

Mr Irwin: I thank Denis, Robert and Norman for coming. Tell me if I have got it right: there are no checks on goods produced in Northern Ireland going to the UK. Is that right?

Mr Huey: Yes.

Mr Irwin: OK. Goods produced in the UK and coming to Northern Ireland, either way, will have no checks. Is that right?

Mr Huey: No. Eligible goods for SPS coming from GB into Northern Ireland are subject to the full body of EU checks.

Mr Irwin: They are coming —

Mr Huey: Into Northern Ireland. That is what all these border control posts are about. They are subject to documentary and identity tests; a percentage will be subject to physical checks.

Mr Irwin: What is that percentage?

Mr Huey: The percentage is laid down in legislation. It depends on what it is: live animals will have 100% physical checks.

Mr Irwin: That is the same today.

Mr Huey: No.

Mr Irwin: There are checks on live animals, are there not?

Mr Huey: There are, but those are almost an agreement between GB veterinary authorities and me, allowing me to protect Northern Ireland. This is different in that these are now official controls and part of regulatory checks, so they move into this legislation with all that we have talked about: Northern Ireland, at its point of entry, having to do the same as Dublin, Calais or any other point of entry into the European Union.

Mr Irwin: Is that a massive amount of live animals?

Mr Huey: I am sure that Mark will have the figure at his fingertips. Consignments of live animals is one of the volumes that we have done. There are not large numbers of live animals or horses.

Mr Irwin: No, I would not have thought so.

Mr Huey: However, as you know, William, at the right time of the year, bulls come in, particularly from Scotland, to Northern Ireland. If I were to say that they could not come in, that would not be a very popular conclusion.

Mr Irwin: Absolutely not.

Mr Huey: It is not always the independent, individual value of the trade that matters; there are social aspects, too.

You are right. The checks required under this are almost exactly the same as the current checks, except that, in this case, we have to follow the letter of the law, and we have to charge for them.

Dr McMahon: It might be worth citing a couple of extracts from the Command Paper to make the point. It says that the UKG position is:

"Some checks will be needed, supported by relevant electronic processes, in line with the island of Ireland's existing status as a Single Epidemiological Unit —"

That, I think, is what you are getting at.

Mr Irwin: Yes.

Dr McMahon:

"— building on what already happens at ports like Larne and Belfast."

Then it talks about the proposals. Importantly, it says:

"The process by which controls are conducted, and their frequency — including the level of physical checks required — will need to be discussed with the EU in the Withdrawal Agreement Joint Committee, within the context of the provision in the Protocol that both parties must use their 'best endeavours' to avoid controls at Northern Ireland ports as far as possible, and adopt recommendations in the Committee accordingly. We will actively seek to simplify and minimise electronic documentary requirements for this trade."

That is where the political side comes in, and that is one of the reasons why the Minister was very keen to hold out until we had a clear line from UKG that would make that as helpful as possible. You would have preferred something even better than that, but, as political negotiations go, that is one of the reassurances that have been given.

Mr Huey: Live animals are quite a nice illustration of this. This book basically says that we have to do a 100% verification check. That happens now and will happen in any case.

Mr Irwin: Yes.

Mr Huey: There will have to be a 100% identity check to make sure that those cattle and the cattle on the certificate are the same cattle. You would expect that. The place that will be described in the negotiation is what percentage will have to have a physical check, unloaded and inspected, and this book says 100%, but the free trade agreement may say none, or something in between. That is the difficulty that we have in planning: we are trying to plan, build and think of processes, without knowing what the number is. Is it 100% or nothing? Otherwise, I know everything.

Mr Irwin: You may have to erect a cattle grid.

Mr Huey: Mark has got round that by describing a reasonable worst-case scenario. That is what we are planning against, because you have to have a plan.

Mr Irwin: I want to ask about goods. A couple of beef processors are quite near to where I live. They import dead cattle from the Irish Republic and process them here before sending them on to the UK market. What are the checks in that scenario?

Mr Fulton: It comes back to the definition of a qualifying good. That still has to be defined by the UK Government, and that is what we have to await. What is the definition of a qualifying good? It is a qualifying good that enjoys unfettered access from Northern Ireland into GB. We need to see that definition before we know whether it extends into the raw materials that were used to produce that good and where those raw materials came from. We do not have that part of the jigsaw in place yet.

Mr Irwin: Are you saying that a percentage of all goods coming from the UK, or through the UK into Northern Ireland, will have to be checked?

Mr Huey: All eligible goods under SPS will have a certificate. The certificate and the identity will be checked, but that is very fast.

Mr Irwin: *[Inaudible.]*

Mr Huey: We hope that our processes will streamline that to make it, basically, a nod past a booth: your documents are looked at, you are checked, customs clear you, off you go.

Mr Irwin: Are there not already goods coming from outside the UK into Northern Ireland?

Mr Huey: There are, and they get there under this, but not fresh food; frozen food is the only food that is checked coming into Northern Ireland.

Mr Fulton: That would be from a third country.

Mr Huey: That is from a third country.

Mr Fulton: So it would be non-EU —

Mr Huey: It is non-EU.

Mr Fulton: — that goes through that process at the minute.

Mr Irwin: Does that work fairly well?

Mr Huey: Yes.

Mr Fulton: Not large volumes, obviously.

Mr Irwin: OK, thank you.

The Chairperson (Mr McAleer): Maurice, can you hear us? Do you want to come in?

Maurice sent a question by text about the timetable. It does not appear that there will be an extension to the transition period. Is there a timetable available to achieve this? Apart from ports and airports, are there any plans for border controls in other locations? Will there be an opportunity for the Committee to visit one of the new posts when they are completed? That is from Maurice Bradley.

Dr McMahon: We have talked about the points of entry. The EU legislation talks about border control posts. That is the point that I was making: that is a term that is used for designation. We are talking about designating existing points of entry. The intention is not to build new facilities, although we have to scope all of this out. The idea is to enhance existing — or, in some cases, extend — and to get EU approval so that they are designated as border control posts. There is no intention to do anything other than that. I do not know whether Robert has anything to add.

Mr Huey: No.

Dr McMahon: Was there a second part, sorry?

The Chairperson (Mr McAleer): The possibility of visiting one.

Dr McMahon: I do not see why not. I do not know whether the Committee has had the opportunity to visit one of the existing ones yet, but I cannot see — off of the top of my head — why not.

The Chairperson (Mr McAleer): It was listed to visit one of the ports, but then COVID-19 and other challenges kicked in.

Dr McMahon: I am not sure that I could stop you if I wanted to, to be honest. *[Laughter.]*

The Chairperson (Mr McAleer): I am going to ask Robert a question. It has been mooted recently that there will be a need for a lot of extra vets. What is our capacity, do we have enough and where would they be based? While I am on the subject, I got a constituency referral recently from a young woman who wants to become a vet and has been accepted for a university place. She has a previous degree in another discipline, however, so cannot access the support that she needs to go to university to become a vet.

What is the situation with vets?

Mr Huey: I have what I have. There is no cavalry coming over the hill. This is a good time to tell the permanent secretary that I commenced a new competition for vets yesterday. He is going to ask me about headcount and other such embarrassing things, but I am going again, Denis. *[Laughter.]*

Dr McMahon: Too late. *[Laughter.]*

Mr Huey: I have to plan with what I have, but that will mean that I may have to take resource off other places to do it. I am going to use my normal technique, which is that vets will do what vets have to do, and they will be supported by port inspectors to do the things that they do not have to do in law. That

is my staff cadre. Again, we have what we have, and that is what we are going to try to work to. The processes have to fit in with that, but I think that we can get past that.

I keep coming back to the earlier challenge of North/South controls and issuing certificates. This hill is not half as high as that one was. It is an easier lift as far as resource is concerned, because the resource is all in set places. It is at the border control posts and not throughout. We will require some resource for attestation of veterinary certificates for some material going from Northern Ireland to GB, such as material going on to a third country. If pork, for example, were going from here to GB to go on to China, it would have to have attestations to go with it in order to take it from a third country into China. There will be some work involved in that, but I think that the resource is OK.

I answered the letter yesterday about the student who wants to do veterinary science. Unfortunately, there is no resource for that. It is not an unusual situation. We usually think of fees to do a second degree as having to be paid by Americans or other foreign students, and those are in the range of £20,000 to £25,000 a year. That makes it almost impossible. Unfortunately, there is no funding into which I could dip, despite my sympathy with her position. I am sorry. That is not a good place on which to end. Ask me a nice question, and I can give you a nice answer. *[Laughter.]*

Ms Bailey: I go back to the three Bills and how they will have an impact on the protocol. Common frameworks will be set up across Northern Ireland, Scotland, Wales and England. There has been no mention of those at the moment. Has DAERA been given any positions on any of the specialist committees that will be set up? What priorities will you have and which committees will you have access to, if you get on to any? How many of those common frameworks is the Department working on? Do any of the common frameworks that you know of so far intersect or clash with the protocol? Is it possible for us to get a look at any of them?

Mr Fulton: We are involved in the common frameworks. That is another large area of work across all of the UK. Again, because of where we are, all Administrations are facing the same challenge of finite resource and limited time, so there has been a prioritisation of the frameworks. Six or seven or so have been prioritised for us to seek to achieve by the end of this year. There are others on which we will seek to achieve as much progress as we can by the end of this year, and we will finish them off as quickly as possible thereafter. Some of them intersect with the protocol, but some do not. As part of the process, we need to ensure that the framework recognises and deals with the consequences of the protocol.

There may be aspects of the internal UK framework that relate to GB only. However, as I said no more than three hours ago in our video conference with our colleagues in other parts of the UK, the fact that it may be a GB element does not mean that we have no interest, and that fact was very clearly understood. Therefore, yes, there is an intersect there.

The Agriculture Bill, which is obviously the one that I am familiar with, has no significant intersect with the protocol per se. As with all these things, there will always be something in the detail that catches you out. However, for the most part, the Agriculture Bill is about setting our internal support framework for Northern Ireland. That is a completely devolved matter, and all that the protocol states on the subject is that there will be an envelope from which we can spend. It is a state-aid carve-out for the funding that we will put towards agriculture, and that has to be set under the protocol. A proportion of that must be green box-compliant under WTO rules. Other than that, the protocol does not impinge on the agriculture support agenda for Northern Ireland.

Ms Bailey: Has the Department been allocated places on any of the specialised committees?

Mr Fulton: Under the protocol?

Ms Bailey: Yes.

Mr Fulton: The specialist working groups have not been established yet. We would certainly like to have an involvement on them. The specialised committee has met once so far and is about to meet again. There is Northern Ireland representation on that. The working groups are where much of the detailed work will be done. That is where we have an interest in having a seat at the table if we can, and we are certainly asking for one.

Ms Bailey: Who will determine whether you can?

Mr Fulton: It is an international negotiation. Whitehall leads on all international negotiations, so, ultimately, it will be Whitehall that makes that call.

The Chairperson (Mr McAleer): One of the objectives in your briefing paper is clear and consistent messaging with your stakeholders. How is that being achieved? What is their state of readiness?

Dr McMahon: That has been a huge problem, to be honest. We are in a good position now, in that we can have conversations. As I said, we have stakeholders in every week to discuss COVID-19. We can use that and the clarity that we have, in the way in which we are doing today, to be able to say, "Here is what we are doing, here is how we are doing it, and here is what you need to be thinking about". As Robert says, what is really helpful about the situation is that it may not be as complicated as it would have been under, say, the previous scenarios that we were working on with Brexit. That makes it a bit easier for businesses here. It has, however, been a problem that we have not been able to have that conversation, because we have not had clarity about what basis we are working on. We now have a very clear mandate. We have hit the ground running straight away and had people in for meetings. We have been very open about where we are at, in the same way in which we have been today. That process has therefore begun, but we need to do a lot more of it.

The Chairperson (Mr McAleer): I noted something from the briefing provided by the Assembly's EU affairs manager. Norman might answer this question. It is connected to the protocol. The joint committee can determine the maximum level of agricultural support for farmers here. How does that interface with the schedule to the Agriculture Bill?

Mr Fulton: Yes. That sets a state-aid carve-out, so we can spend up to that limit with full state-aid cover. Within that, there is a limit on the proportion of that total that needs to be green box-compliant. Other than that, it gives us permission to spend up to that limit. It does not provide us with any budget; it just gives us state-aid cover. The schedule to the Agriculture Bill then gives us permission to shape the policy that we will implement within that spending permission.

The Chairperson (Mr McAleer): Is that the headspace that you referred to?

Mr Fulton: The headroom, yes. You have the state-aid carve-out. The Agriculture Bill provides the policy framework, and, ultimately, Treasury will provide the funds. Bring the three together and you have the agricultural support that will be applied. You need all three of those elements in place to do that, however.

Mr McGuigan: There is something that I meant to ask earlier but forgot to. In the paper, the British Government said that there is no need for customs checks at ports. Where are those checks likely to take place? Will they take place on the boats?

Dr McMahon: It depends on the direction that we are talking about. There will be customs checks coming across, because, for the reasons that were talked about earlier, some products will go through our ports and straight into the EU. That is therefore where customs will be located.

Mr Huey: We are working that out, Philip. As I described, in order to do our SPS checks, we rely on and work very closely with HMRC. That stood out for me. HMRC is not there. I have serious problems with my process, but how HMRC intends to carry out its duties if, as is stated in the protocol, it is not physically in the port is a conversation that we are yet to have. The only truthful answer is that we do not have a clue yet, but good spot.

Mr McGuigan: Thank you.

The Chairperson (Mr McAleer): There are no other questions. Thank you very much for coming today, Mark, Denis, Robert and Norman. It was a very comprehensive and informative briefing, and you gave full and straight-up answers to the questions. No doubt we will be engaging with you further as this unfolds.