

PROTOCOL ON IRELAND/NORTHERN IRELAND

POSITION PAPER ON SIMPLIFICATIONS IN THE AREA OF CUSTOMS

I. Context

1. On 27 February 2023, the European Commission ('the Commission') and the Government of the United Kingdom ('the UK') reached a political agreement in principle on the way forward regarding the operation of the Protocol on Ireland/Northern Ireland ('the Protocol'). The way forward includes joint solutions that constitute a series of practical and sustainable measures that the Commission and the UK Government consider necessary to address in a definitive way a number of implementation issues that have emerged since the date of application of the Protocol and respond to everyday challenges faced by people and businesses in Northern Ireland in relation to its operation. The proposed joint solutions ensure the integrity of both the Union's and the UK's internal markets.
2. In the area of customs, the way forward provides for a durable solution in the form of genuine simplifications and elimination of certain processes and procedures for the entry of goods into Northern Ireland brought by direct transport from other parts of the UK, where those goods are not at risk of entering the Union. The joint solution provides for a trusted trader scheme, with reinforced authorisation and monitoring mechanisms for companies that are part of it. Union representatives will have access to the data concerning the movements of these goods provided by UK competent authorities before they enter Northern Ireland, enabling risk analysis and assessment of the data received. The solution also ensures that controls and checks, performed by the UK authorities, are carried out principally on the basis of risk assessment and analysis of the data. UK authorities will also be in charge of monitoring the trusted traders and of providing the relevant information to the Union. These safeguards are in place to ensure that goods moved by trusted traders are not subsequently moved into the Union and therefore to protect the integrity of the Union's internal market.
3. This position paper sets out key implementation elements related to the joint solutions.
4. The elements set out in this position paper are without prejudice to the powers conferred by the Treaties on the Union institutions.

II. Implementation of the suggested solutions

5. The Commission could envisage, within the framework of the Protocol and under the related provisions of the Union Customs Code (UCC), presenting a draft delegated act supplementing and amending the UCC as regards the simplification and elimination of certain processes and procedures related to the joint solutions by laying down specific rules on:
 - the simplification of data requirements and formalities to be provided for goods that are "not at risk" of entering the Union when these goods are moved by trusted traders;

- certain specific derogations in terms of data for Business to Consumer (“B2C”) and Consumer to Consumer (“C2C”) shipments of parcels sent through an authorised carrier for consumer personal use in Northern Ireland only.
6. The Union legal acts operationalising the joint solutions would apply to and in the UK in respect of Northern Ireland pursuant to Articles 5(3) and (4) and 13(3) of the Protocol, read in conjunction with Article 6(3) of the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community.

II.1 Simplify processes for goods that are “not at risk” of entering the EU market

7. The envisaged delegated act would provide for a substantially reduced set of requirements under the UCC for trusted traders moving goods “not at risk” by direct transport from another part of the UK to Northern Ireland. The envisaged delegated act would:
- reduce the requirements for customs data to around 21 key data elements (super reduced data set), including the possibility to provide the classification of the goods at a level corresponding either to 6-digits or 8-digits of the Combined Nomenclature (‘CN’) code only, depending on the type of goods;
 - allow the trusted trader moving goods from another part of the UK to Northern Ireland to use solely the description of the goods instead of a CN code, provided that the UK competent authorities are able to automatically identify such description and link it to the appropriate CN code required for risk analysis purposes;
 - allow the use for placing these goods into release for free circulation in Northern Ireland of:
 - a single simplified data set per consignment - super reduced data set - without the need for supplementary declarations; or
 - a single simplified monthly data set with transaction-based information based on the trusted traders’ internal records (entry into the declarant’s records - EIDR).
8. The UK and the Union have agreed certain situations where the Parties can suspend or terminate the facilitations agreed, for example in the case of the Union losing its access to the relevant UK IT systems and databases.

II.2 Certain specific derogations for B2C and C2C parcels

9. Before the below elements to be implemented by the Union can enter into application, the UK will have to withdraw any guidance which would not be in accordance with the relevant Union act.
10. For B2C parcels for personal use by the consumer sent from another part of the UK to Northern Ireland, the Commission will provide for specific further derogations compared to the requirements described above. The system will operate through a scheme of authorised carriers for which application criteria are commonly agreed. Carriers will provide the data on the goods moved in parcels to competent authorities, at the latest before the delivery of the parcel, except for in exceptional circumstances.

11. For C2C parcels, there will also be specific further derogations for all goods of a non-commercial nature sent from private individuals in another part of the UK to private individuals in Northern Ireland. The carriers moving parcels in the C2C framework will provide a limited set of data to competent authorities the day after the delivery of the parcel, notably ensuring oversight that those goods are destined to private individuals residing in Northern Ireland.