

UK issues Brexit guidance on moving goods under the Northern Ireland Protocol

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The United Kingdom (UK) Cabinet Office has issued its much awaited [guidance](#) on the movement of goods between Great Britain and Northern Ireland from 1 January 2021 (i.e., taking effect at the end of the transition period) under the Northern Ireland Protocol (Protocol). The Protocol is a practical solution to avoid a hard border with Ireland, while ensuring that the UK, including Northern Ireland, leaves the European Union (EU) as a whole, enabling the entire UK to benefit from future Free Trade Agreements (FTAs). There will be special provisions which apply only in Northern Ireland while the Protocol is in force.

The guidance acknowledges that the Protocol is not a permanent solution; it is designed to address a particular set of issues in a way that upholds the Belfast (Good Friday) Agreement and aims to allow the UK, including Northern Ireland, to leave the EU as a whole.

The guidance states that, under the Protocol, the UK Government will ensure that:

- ▶ Moving goods from Northern Ireland to Great Britain should take place as it does now - there will be no additional processes, paperwork, or restrictions on Northern Ireland goods moving to Great Britain, delivering unfettered access.
- ▶ Changes for goods moving from Great Britain to Northern Ireland will be kept to an absolute minimum - with a [Trader Support Service](#), available to all businesses at no cost, to be established to provide wraparound support,

alongside guidance on the processes for food and agricultural products designed to uphold the longstanding status of the island of Ireland as a single epidemiological unit. Businesses will need to register to use the Trader Support Service which will be available from the end of the UK transitional period.

- ▶ Trade in goods between Northern Ireland and Ireland, and between Northern Ireland and EU Member States, will continue unaffected, with no change at the border, no new paperwork, and no tariffs or regulatory checks.
- ▶ For trade with the rest of the world, Northern Ireland will benefit from UK FTAs (if negotiated).

The guidance outlines in further detail the processes for those movements of goods into, out of and through Northern Ireland that will apply from the end of the transition period. In some cases, the applicable regime will need to take account of the outcome of discussions between the UK and the EU in the Joint Committee established under the Withdrawal Agreement. In others, the position is the subject of ongoing consultation or consideration. Where that is the case, the relevant page makes clear where further guidance will be provided in due course.

This latest update comes alongside the [Commission's proposal](#) to amend the EU value-added tax (VAT) rules to accommodate trade with Northern Ireland after the transition period. The amendment to the VAT Directive introduces a special identification number for businesses in Northern Ireland, so that EU VAT provisions can be properly applied to goods, in line with the Protocol. The European Commission is encouraging Member States to rapidly agree to the proposal, so that it can be implemented quickly and at least before the end of the transition period. The proposed amending Directive is available [here](#). Work is ongoing on similar legal changes in the field of excise duties.

Implications

With less than five months to go until the transitional period comes to an end, businesses moving goods into and out of Northern Ireland and/or businesses receiving goods from Northern Ireland should review supply chains alongside the detailed guidance and consider the associated actions required as part of its Brexit readiness planning including systems, commercial, contractual and tax implications of the changes.

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