

## BREXIT – Northern Ireland Protocol – Windsor Framework

Following two long years of debate about the effectiveness (or otherwise) of the Northern Ireland Protocol that was introduced when the UK left the EU, it is to be replaced with the Windsor Framework.

On 27 February 2023 the UK Prime Minister and the President of the European Commission held a meeting in Windsor and announced that they had reached an agreement in principle to address concerns about the handling of trade between Great Britain (GB), Northern Ireland (NI) and the European Union (EU).

### A summary of the proposed measures include:

- The creation of a new system for goods moving to and from Northern Ireland (NI), including a light-touch “green lane” for goods that are destined to remain within NI and a ‘red lane’ with additional customs checks for goods at risk of entering the EU single market.
- The ability for some food providers to use the ‘green lane’ and far fewer physical checks on GB-NI food movements, with a risk-based approach to be operated.
- Introduction of the “Stormont Brake” which will allow the NI Assembly some influence on certain EU legislation changes applying in NI
- Further progress on medicines, allowing any drugs licenced in the UK to be used in NI.
- Customs easements for businesses and people sending parcels by post to NI from Great Britain (GB).
- Additional flexibility for the UK to introduce VAT and excise changes on a UK-wide basis. For example, energy-saving materials such as heat pumps or solar panels installed in immovable property will be able to benefit from the VAT zero-rate in NI.

The detail of the Windsor Framework is now being widely examined but is expected to be formally approved by the UK-EU Joint Committee. The UK government has also said it would facilitate a House of Commons vote to gain political support for the agreement.

Implementation of the agreement is expected to be phased in commencing later this year and should be fully implemented in 2025. We will issue further updates as appropriate as the changes are implemented.

For an initial consultation to see whether there is a need to consider your VAT affairs in more detail, please contact your usual Rawlinson & Hunter LLP Partner or one of the following:

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