



Cabinet Office

EU Relations Secretariat  
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Senior Assistant Assembly Clerk, Windsor Framework Democratic Scrutiny Committee  
Room 371, Parliament Buildings  
Stormont  
Belfast, BT4 3XX

RE: (DSC) Ref: DSC 255/26

21 October 2026

**Regulation (EU) 2026/2108 of the European Parliament and of the Council of 16 September 2026 establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013.**

Dear ██████████

Thank you for your letter dated 15 October 2026 regarding Regulation (EU) 2026/2108, which concerns Union Customs Code (UCC) reform.

I have addressed the two points raised in turn below. I hope this response is helpful and would be pleased to provide any further clarification the Committee may require.

- 1) Provide further comments on the responses submitted by the British International Freight Association, the British Ports Association and the Consumer Council to the DSC's survey on the proposed EU act.**

#### **British International Freight Association (BIFA)**

The Government notes BIFA's concern that the reforms could disrupt trade between Great Britain and Northern Ireland, and between Northern Ireland and the rest of the world. The Government does not agree with this assessment and no evidence is provided in the response indicating a significant negative impact.

I can offer reassurance that the reforms will not diminish the facilitations secured under the Windsor Framework. As set out in the Government's Explanatory Memorandum, the Regulation expressly preserves the level of facilitations provided for in Joint Committee Decision No 1/2023. These arrangements protect Northern Ireland's place in the UK internal market while supporting its privileged dual market access to the EU.

The response also raises questions about the implications of the reforms for trade policy. It is important to note that the regulation is principally a long-term programme of customs digitalisation and modernisation. Its central measures, including the EU Customs Data Hub and greater reuse of supply-chain data, are intended to simplify and streamline customs processes and reduce repetitive data submissions. The reform does not alter the UK's trade policy or prevent the UK from concluding trade agreements that apply in Northern Ireland.



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Northern Ireland remains part of the UK's customs territory, and the Windsor Framework provides mechanisms to manage the interaction between changes in EU trade policy and the UK's independent trade policy.

In relation to the non-application of the reforms, as previously stated, the Government's assessment is that non-application could lead to divergence between the customs frameworks in Northern Ireland and the EU. This could place Northern Ireland's access to the EU market, and therefore its ability to benefit from dual market access, at risk.

Non-application of the reforms would result in traders using different systems and models to trade with the EU and Northern Ireland, and, in due course depending on future evolution of the UK's customs system, potentially a different system for trading with Great Britain. This would complicate the customs landscape for businesses trading with Northern Ireland - particularly those that also trade with the EU, including cross-border trade with Ireland. It could reduce the attractiveness of trading with, or investing in, Northern Ireland and potentially create complexity for trade within the UK's internal market as well with the EU. In this scenario, with the processes that goods 'at risk' of entering the EU market go through when entering NI increasingly divorced from the processes used for direct entry to the EU, it could imperil the future of the Windsor Framework arrangements which remove the need for border controls on the island of Ireland. Reflecting Northern Ireland's unique circumstances, individual elements of the reform will, where appropriate, be discussed between the UK and the European Commission as the detailed arrangements are developed.

Finally, while the concerns raised about the scale and ambition of the reform programme are recognised, we would reiterate that this reform is designed to streamline processes. Throughout the planned eight-year implementation period the UK Government will continue to work with the European Commission to maintain the facilitations and approaches secured under the Windsor Framework and to support implementation that enables Northern Ireland to benefit from the reforms. The views of businesses and other stakeholders will be valuable in informing this work, and they will be engaged at the appropriate stages.

### **British Ports Association**

In considering the points raised by the British Ports Association, I note first that the BPA assesses that the reforms would not have a significant negative impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist.

The Government has taken account of its assessment that the largely digital and remote nature of customs processes should make the arrangements manageable in practice. The Government nevertheless understands the concern about businesses in the UK having to navigate separate customs systems and the importance of keeping requirements as simple as possible.

As set out in the Explanatory Memorandum, the UK faces challenges similar to those identified by the EU and is pursuing comparable objectives through its own programme of customs modernisation. The Government remains committed to protecting the UK's internal market as set out in its manifesto. Where alignment between UK and EU modernisation



approaches could support efficient trade, interoperability and simpler processes, those opportunities will be considered as part of the Government's wider customs strategy.

### Consumer Council for Northern Ireland

The Government agreed with the Consumer Council's assessment that *'these proposals should enhance Northern Ireland consumer protections when ordering low value goods imported from third countries via distance sales. This aligns to our guiding consumer principles of safety and information, providing consumers with accessible, accurate and useful information regarding goods and services. In principle the Act proposes a simpler process for Northern Ireland consumers when purchasing goods from outside the European Union.'*

The Government shared the Consumer Council's concerns about the removal of the €150 customs duty exemption and the potential for additional costs to be passed on to consumers and is pleased to confirm that specific protections have been secured for Northern Ireland, which protect Northern Ireland consumers from the costs of either customs duties or handling fees.

The change concerning customs duties was introduced under Regulation (EU) 2026/382 and took effect on 1 July 2026 following extensive engagement with affected businesses. Since then, eligible parcels moving into Northern Ireland under the Windsor Framework arrangements have continued to be treated as "not at risk", meaning that customs duty has not become payable. There is also no evidence this change has impacted on parcel flows or consumer choice for individuals in Northern Ireland. Parcels moved outside of these arrangements currently account for less than 1% of all parcels moved into Northern Ireland annually.

As already highlighted, the same protections under the Windsor Framework will apply to the Union handling fee, which will take effect on 1 November 2026 under the reform package. Parcels sent directly to consumers in Northern Ireland moving under the Windsor Framework facilitation schemes will therefore not be impacted by this change. Based on HMRC's analysis of the data for movements into Northern Ireland over a 12-month period, the government is confident that this will once again protect more than 99% of goods that would have been subject to a handling fee. This means the vast majority of consumers in Northern Ireland will be unaffected by this change.

Throughout this process, the government has engaged with Fast Parcel Operators to ensure they are fully aware of the changes, and all take full advantage of the facilitations. The evidence from the changes introduced on 1 July 2026 is that Fast Parcel Operators are already making use of these facilitations with resulting benefit for Northern Ireland consumers.

Alongside its concerns about potential costs to consumers, the Consumer Council acknowledges that the reforms are intended to modernise the EU customs framework



through greater digitalisation and simpler processes. This may create opportunities for Northern Ireland to benefit from more streamlined customs arrangements. It is agreed that the way in which the reforms operate in practice will be critical to their overall effect in Northern Ireland. Continued engagement with the European Commission and relevant stakeholders will therefore be important as the detailed arrangements are developed.

**2) Provide information on any responses HMRC has received to its own ongoing consultation and engagement with stakeholders regarding the EU act.**

The HM Treasury and HMRC Call for Evidence ran from 23 June to 15 September 2026 and sought views on the future of international trade and the impact of digitalised and modernised trading practices on the UK customs regime. It focused on the future use of customs data, how the customs model could better align with businesses' digital operations, and whether the current approach to customs authorisations supports modern trading practices. A summary of responses will be published in due course.

In relation to the UCC reform, feedback on the more immediate introduction of the handling fee has been broadly positive - including the specific protections secured for Northern Ireland - including from the Joint Customs Consultative Committee, its Northern Ireland sub-group and the Consumer Council for Northern Ireland. Stakeholders have particularly welcomed the protection of the vast majority of distance sales entering Northern Ireland from the fee.

Given the eight-year programme of change, HMRC will continue to seek feedback from businesses and trade bodies at the appropriate stages as the detailed UCC arrangements are developed. This will build on the engagement undertaken for the handling fee and the wider Call for Evidence to help identify practical issues at an early stage and inform arrangements that work effectively for Northern Ireland businesses. The Government is committed to working closely with businesses and traders to ensure that reforms are implemented in a way which benefits traders over the coming years.

**Responses to the Committee's Survey**

We also take note of the feedback that was shared on 19 October from the Committee's survey on the published EU act. We recognise that haulage and logistics companies are at the forefront of moving goods across the UK internal market, including in critical supply chains such as food and medicines. Since the original proposal on the reform of the UCC was published in 2023, the Government has agreed with the EU a range of schemes to support businesses by removing unnecessary checks and paperwork.

Many of the responses highlight the complexity of existing customs arrangements as an issue with the UCC in its current form, which already applies in Northern Ireland. These are legitimate issues which the Government takes seriously. It is taking steps to make trade between GB and NI easier, including through extending the Trader Support Service contract and providing funding for the development of a One Stop Shop to streamline and



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simplify information and support for those selling to Northern Ireland.

As set out in our explanatory memoranda, the reforms may create opportunities for Northern Ireland to benefit from more streamlined customs processes, greater reuse of data and reduced administrative burdens. This includes removing the need for traders to submit separate customs and safety and security declarations through different systems, allowing overlapping information to be provided once and reused. As such, rather than existing frustrations providing evidence of a significant negative impact on Northern Ireland, they in fact have the potential to form part of the answer in reducing burdens and frustrations on businesses.

Northern Ireland is already benefitting from Dual Market Access as the world's only economy with seamless access to both the UK Internal Market and the EU Single Market. Secured by the Windsor Framework, businesses can manufacture and export to both major economic blocs with zero customs friction, tariffs, or administrative hurdles. This best of both worlds advantage is delivering real economic returns. Industry leaders across sectors increasingly highlight this unique market position as the driving force behind their commercial success and future growth.

In 2024, Northern Ireland's exports to the EU (excluding Ireland) grew by 23.5%, marking the fastest growth rate in the region, and total sales by Northern Ireland companies increased 7.5% (£7.6 billion) in 2024, with total exports specifically rising by 14.5%, worth £2.5 billion. On economic growth, NISRA's Northern Ireland Composite Economic Index shows NI's economy growing by 12% from 2019 to 2026, compared to GDP growth for the UK as a whole of 5% over the same period. This growth is not just seen in the services sector. The sectors which benefit most from the Windsor Framework - the production and agriculture sectors - grew by 11% and 9% respectively over the same period.

Many Northern Ireland businesses are taking advantage of this opportunity to expand into both the UK and Europe without additional tariffs, such as PRM Group, a Lisburn-based food distribution company that have cited dual market access as a major factor behind its growth strategy, which over the past year has enabled it to commit to a £15m investment in its Lisburn headquarters paired with the creation of 40 additional jobs. The Windsor Framework has positioned Northern Ireland as a uniquely powerful gateway economy, driving tangible local growth, record export numbers, and significant job creation—all while allowing businesses to take advantage of the UK's network of 102 global free trade agreements.

The Government is firm in its view that the Windsor Framework, represents the right - as well as the only available and credible - basis for supporting stability and certainty for Northern Ireland and for businesses and traders in particular. Not applying the reformed UCC in Northern Ireland would imperil these arrangements and create complexity for traders who are currently attracted to Northern Ireland's offer of trade across two major global markets with streamlined processes, systems and rules.



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**Yours sincerely,**



**DEPUTY DIRECTOR, EU RELATIONS SECRETARIAT**



[REDACTED], Senior Assistant  
Assembly Clerk  
Windsor Framework Democratic Scrutiny  
Committee (DSC)

**Ref:** DSC 256/26

19 October 2026

[REDACTED]  
Windsor Framework Taskforce – Cabinet Office

Issued via email to: [REDACTED]

Dear [REDACTED],

**[Regulation \(EU\) 2026/2108 establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation \(EU\) No 952/2013](#)**

I write further to the Windsor Framework Democratic Scrutiny Committee's correspondence of 15 October 2026 on the abovementioned published EU act. It stated that the Committee would ask the UK Government (UKG) to comment on any responses received to the Committee's survey on the published EU act after the survey closed on 18 October.

The Committee received the enclosed responses from: the Inter-Trade UK Business Association; the Montgomery Transport Group; Gray & Adams (Ireland) Ltd; AJ Power Ltd; the Traditional Unionist Voice; and two individuals. As you know, the Committee will deliberate on the evidence it has received and agree its inquiry report on Thursday 22 October 2026. I would therefore be grateful for UKG's comments on the responses by 2pm on **Wednesday 21 October 2026**.

Yours sincerely,

[REDACTED]

[REDACTED], Senior Assistant Assembly Clerk  
Windsor Framework Democratic Scrutiny Committee  
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[REDACTED], Senior Assistant  
Assembly Clerk  
Windsor Framework Democratic Scrutiny  
Committee (DSC)

**Ref:** DSC 255/26

15 October 2026

[REDACTED]  
Windsor Framework Taskforce – Cabinet Office

Issued via email to: [REDACTED]

Dear [REDACTED],

**[Regulation \(EU\) 2026/2108 establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation \(EU\) No 952/2013](#)**

At its meeting on 1 October 2026, the Windsor Framework Democratic Scrutiny Committee (DSC) agreed to hold an inquiry into the abovementioned published replacement EU act.

At its meeting on 15 October 2026, the DSC considered written answers from the Department for the Economy (DfE) on the replacement EU act. The DSC asked about information received by HMRC as part of its ongoing consultation regarding the EU act, and particularly from those who had previously responded to the DSC's Citizen Space survey on the *proposed* EU act. DfE stated that the UK Government (UKG) "will be happy to review and comment on the full feedback" following the closure of the DSC's current Citizen Space survey on the *published* EU act.

The Committee agreed to ask UKG to comment on any survey responses on the *published* EU act, after it closes on 18 October.

In the interim, noting that the DSC will deliberate on the evidence it has received and will agree its inquiry report on Thursday 22 October 2026, the Committee agreed to ask HMRC to:

- 1) Provide further comments on the responses from the British Ports Association, the British International Freight Association and the Consumer Council to the DSC's survey on the *proposed* EU act; and

- 2) Provide information on any responses HMRC has received to its own ongoing consultation and engagement with stakeholders regarding the EU act.

Each of the responses to the DSC's survey on the proposed EU act can be found [here](#).

Noting the timeframes above, I would be grateful for a response from HMRC by Monday 19 October 2026.

Yours sincerely,



 **Senior Assistant Assembly Clerk**  
**Windsor Framework Democratic Scrutiny Committee**