

Brexit Committee

Thursday, 9th September, 2021

MEETING OF THE BREXIT COMMITTEE HELD REMOTELY VIA MICROSOFT TEAMS

Members present: Councillor Baker (Chairperson); and
Alderman Rodgers and Sandford; and
Councillors Brooks, Canavan, de Faoite, Ferguson,
Flynn, Hanvey, T. Kelly, Kyle, Long, Magennis,
McKeown, McLaughlin, Spratt and Walsh.

In attendance: Mr. J. Walsh, City Solicitor;
Mrs. S. Toland, Director of City Services;
Mr. J. Greer, Director of Economic Development;
Ms. N. Largey, Divisional Solicitor;
Ms. C. Donnelly, Democratic Services Officer; and
Ms. K. McCrum, Democratic Services Officer.

Apologies

Apologies for inability to attend the meeting were reported from Alderman Haire and Councillors Gormley and McDonough-Brown.

Minutes

The minutes of the meeting of 12th August were taken as read and signed as correct. It was reported that those minutes had been adopted by the Council at its meeting on 1st September.

Declarations of Interest

No declarations of interest were recorded.

Presentations

NI Retail Consortium: Mr. A. Connolly

The Chairperson welcomed Mr. A. Connolly, Director of the Northern Ireland Retail Consortium (NIRC), to the meeting.

Mr. Connolly provided an update on key issues within the business sector related to the Northern Ireland Protocol and informed the Committee that he had met with Maros Sefcovic, European Commission Vice-President, during his visit to the Northern Ireland.

He reported that the UK Government and European Commission were increasingly working together to find solutions to the problems that were being experienced, with the EU keen to focus on sanitary and phytosanitary (SPS) rules, customs and representation. He added that there were additional areas which the UK

Government wished to review, including veterinary medicines and tariff rate quotas (TRQs) on building supplies.

He pointed out that dual market access was a real opportunity for Northern Ireland as an economy, offering the chance to act as a hub for adding value to imports via manufacturing or food production etc., which would lead to better, more well paid jobs, which in turn would bring about positive outcomes in the retail and service sectors as household incomes increased.

Mr. Connolly confirmed that, during the meetings with the European Commission, topics of discussion had included local issues related to SPS, logistics, manufacturing, farming and governance, the need for an implementation period to be provided irrespective of what solutions were proposed and the importance of working with local businesses and utilising their expertise. He added that it was important to note the positives that had emerged, including an increase in manufacturing and agri-food contracts.

He stated that he was increasingly optimistic as a result of recent conversations, however, there were still areas to work through, which to be effective, would require a bespoke solution for Northern Ireland that offered stability, certainty, simplicity and affordability. He suggested that the solution would be a UK-EU veterinary agreement which would remove a great deal of the paperwork and costs, while keeping business competitive.

In conclusion, he underlined the need for political will to deliver the solutions and advised that political instability was the biggest pull away from investment in a region.

A Member pointed to the increased imports and exports between the North and South of Ireland and questioned how such positive outcomes could be better promoted. Mr. Connolly advised that there had been a number of positive investments as a result of the NI protocol, with further on the horizon, labour shortages in the manufacturing sector, a lack of HGV drivers and TRQs relating to various alloys needed to be resolved to enable further growth.

During discussion, the Committee raised a number of further queries regarding paperwork requirements, pet passports, food shortages and the supply of medication.

Mr. Connolly confirmed that there had been concerns in the business community about additional paperwork that would commence following the end of the current grace periods, however, that had now been extended indefinitely. He added that work was ongoing to simplify the processes by digitising some elements and he undertook to update the Committee once the proposed solutions had been finalised. He also confirmed that the extension of the grace periods applied to pet passports, and so no change was expected on this issue, and undertook to find out how many passports were issued before the extension.

With regards to food supplies, he suggested that certain retailers were more exposed to shortages than others, dependent on where their food was processed,

however, both Governments were accepting that work needed to be done to resolve issues surrounding sanitary and phytosanitary (SPS) products.

The Committee was advised that the EU Commission had published a non-paper on the supply of medicine in early July, 2021, and that discussions were ongoing. Mr. Connolly suggested that progress was being made in this area and the importance of the issue was well understood by both the UK Government and EU Commission.

With regards to supply lines, a Member asked whether it was possible to separate the impact of Brexit from the impact of Covid-19 so as to understand whether the situation would elevate as the pandemic eased. Mr. Connolly explained that there were 4 elements to consider; Brexit, the Protocol, Covid-19 and global supply chains and that, currently, it was difficult to disaggregate between them. He added that one of the biggest issues with the Protocol had been a lack of education about trading with Northern Ireland, in comparison to the UK.

In closing, Mr. Connolly reported that engagement from both Governments had been increasing in recent months, however, friction continued with regards to ideology and economics. He also encouraged Members of the Committee to contact him should they have any further queries.

Following discussion, the Committee thanked Mr. Connolly for his presentation and he retired from the meeting.

Future of Brexit Committee

The City Solicitor sought the views of the Members on an expanded remit for the Brexit Committee given the general consensus that the Committee continue, rather than have its standard agenda items subsumed within the remit of other Committees.

He reminded the Members that a proposal made in August, 2021, to include responsibility for both the Shared Island Working Group and the International Relations Framework (IRF), had been deferred and he recommended that the IRF remain with the City Growth and Regeneration Committee given it's wider economic functions.

The Committee suggested the following points:

- Including responsibility for the Shared Island Working Group/Unit, as well as an East/West remit and connections with Europe;
- Focusing on the climate crisis by creating a formal link to the Climate Emergency Working Group;
- Including Resilience as an area of focus;
- A wider review of all standing Committees and reprioritisation/restructuring as necessary;

The City Solicitor thanked the Committee for their comments and undertook to review the suggestions for inclusion in a future report.

The following discussion, Committee noted that:

- a further report would be brought to Party Group Leaders and subsequently to the Brexit and Strategic Policy and Resources Committees containing options to expand the remit of the Brexit Committee;
- a wider review of all Council Committees would be undertaken in preparation for the next Council mandate to be discussed at next joint meeting of Corporate Management Team and Party Group Leaders.

Port Health Update

The Director of City Services provided an update on a written statement from the UK Government announcing that it intended to continue operating the NI Protocol on the current basis, and a statement from the European Commission issued in response.

She explained that Lord Frost's statement confirmed that current grace periods and easements would be extended to allow negotiations with the EU to continue, with no end date for this extension announced.

The Committee was advised that Council officers continued to work with officials from the Food Standard Agency (FSA) to understand the resource and operational requirements for delivery of Port Health work in financial year 2022/2023 and beyond. The Director of City Services confirmed that there were no direct financial implications related to this as costs associated with the implementation and facilitation of Port Health work in relation to the NI protocol were currently being met by UK Government funding via the Food Standards Agency, and that discussions regarding the continuation of this arrangement were ongoing.

In response to a query as to when a visit to Belfast Port would be possible, she confirmed that she would continue to look at how this could be facilitated within current Covid-19 health and safety regulations.

The Members of the Committee noted the update provided.

Chairperson