



Select Committee on the European Union

Corrected oral evidence: Brexit: UK-Irish Relations

Monday 17 October 2016

12 pm

Watch the meeting

Members present: Lord Boswell of Aynho (The Chairman); Baroness Armstrong of Hill Top; Baroness Browning; Lord Jay of Ewelme; Lord Selkirk of Douglas; Lord Whitty; Baroness Wilcox.

Evidence Session No 5

Heard in Public

Questions 56 - 67

Witnesses

[I](#): Dr Anthony Soares, Deputy Director, Centre for Cross-Border Studies; Ruth Taillon, Director, Centre for Cross-Border Studies; Peter Sheridan, Chief Executive, Co-operation Ireland.



Examination of witnesses

Dr Anthony Soares, Ruth Taillon and Peter Sheridan.

Q56 The Chairman: Good morning, lady and gentlemen. Welcome to this formal evidence session of the Lords EU Select Committee's inquiry into the implications of the referendum decision for Brexit on the island of Ireland generically. We could not be better placed than in having the panel that we have before us this afternoon. Ruth Taillon is the director of the Centre for Cross-Border Studies and Dr Soares is the deputy director. He also provides a more continental perspective, which is strengthening. Peter Sheridan is the chief executive of Co-operation Ireland and there is a very strong and interesting CV behind that.

All I would say is that we will look at this objectively, with an eye to two issues: what the implications are for the island of Ireland generically, both here in Northern Ireland and when we go down to Dublin tomorrow; also, the underpinning interest is to make sure that those voices that are being heard and brought effectively to bear on the upcoming negotiations, so that we do not get surprised as the matter unfolds and no damage is done that could have been avoided with some forethought.

We are very grateful for your extensive submissions to us as well. Small hours were filled with them in certain cases. We are beginning to develop a pattern. What we are particularly interested in is picking out from that any really salient issues and messages that we can take back to London and share with our colleagues. Is there anything you would like to say to us, either about your organisation or by way of introduction? If not, we will start straight on the questions.

Ruth Taillon: I will say a few words, first of all to say thank you very much for coming to us and being open to hearing our concerns. We have quite a wide spectrum of concerns about how the decision will affect this region, both north and south of the border. Our centre was set up in the wake of the peace agreement, so we were set up in 1999, specifically with a remit to work on a north-south co-operation basis. Virtually everything we do in terms of services, but also advocacy and research, is focused on cross-border co-operation. Over the last number of years, that has also spread to taking on much greater east-west dimensions, so we have been working with other border regions in Europe, and we are quite concerned about being cut off from that.

Also, increasingly over the last couple of years, particularly with the events in Scotland, we have been working more closely with colleagues in Scotland, but also in England and Wales. We have broadened our remit about cross-border co-operation because we think the political situation has changed, so we have quite a lot to share on that.

We have widespread interests, from the constitutional issues to the free movement of citizens and citizens' rights. We run a citizens' information service for people who cross the border to work, live and study, and all of



that is currently based on European law, so we are quite worried about what we will be able to tell people as things get more difficult and we will not have the same answers for them.

We are also concerned about the rights of EU citizens living on the island, in terms of their ability to stay and work, and the impact that the loss of the European Union workers will have on businesses in Northern Ireland, because we are already seeing quite dramatic effects on that.

Also, culturally, in lots of different contexts there is the isolation that could come to our region, because we are only 1.5 million people in Northern Ireland. The European connections in terms of civil society networks and access to programmes such as Erasmus that allow students to travel are all things that were perhaps not on the list of specific questions that we were given, but they would be our general concerns: that those things will shut down and we will be left on the edge. That is one of the reasons that we are particularly grateful that you have decided to come and hear some of our concerns, because we are very worried that those will not be at the top of the political agenda in the negotiations.

Peter Sheridan: I will not repeat anything that Ruth has said because we are on the same page. Just for information purposes, Co-operation Ireland does not have a position on Brexit as an organisation, simply because I have a very mixed board of people, some of whom voted out and some of whom voted to remain. Former Irish Taoiseach John Bruton was obviously very much in the remain campaign.

The Chairman: He is coming to see us.

Peter Sheridan: He is coming to see you. The former First Minister, Peter Robinson, and David Campbell, who was David Trimble's chairman at the time, are "out". Our interest as an organisation is making sure that we do not undermine the spirit of the Good Friday agreement. We are about reconciliation on these islands and between these islands, and making sure that nothing that happens in the terms of moving out of the EU will impact on that.

Q57 **The Chairman:** I will just say, not by way of a threat to witnesses but as information for my colleagues, we have a deadline at 1 pm, so much as I suspect we could be tempted to extend the session, we will have to be a little restrained, in which spirit I will kick off.

The Brexit Secretary, David Davis, was an early visitor here, and has identified UK-Irish issues, and specifically the impact on Northern Ireland, as one of the more difficult areas coming up in the negotiation. Could you just outline for us, either separately or collectively, what you think the main difficulties that need to be addressed are?

Ruth Taillon: The first thing is the border. It has all sorts of implications, as I say, for the free movement of workers, students and other people who cross the border regularly. That includes a number of EU citizens who are not Irish or UK citizens. Anthony will talk about the common



travel area later, perhaps. There are the implications for the peace process in terms of the constitutional issues around the potential for unpicking of the Good Friday agreement and the other institutions and structures that were set up to support the Good Friday agreement, and more generally in terms of the importance of the border, first of all to the conflict and to the peace process. The border has faded quite a lot as an issue, almost to insignificance—not entirely but partially. We have already seen indications that it is becoming an issue of dispute again. Before the referendum we had UKIP advocating armed patrols, and you had republicans seeing this as another opportunity to push things forward. If the border becomes more contentious, we would be concerned, as we would if there is a serious impact on the economy; you would have more poverty, more disaffection and more alienation from those people who maybe did not even feel that they had got much out of the peace process yet. There are real dangers there for difficulties. We have already seen a huge spike in hate crime since the referendum.

The Chairman: That is in Northern Ireland as well.

Ruth Taillon: Yes. There was a report by the PSNI, which Peter can probably talk about with more authority than me, which stated that a hate crime was reported every three hours in Northern Ireland over the last year. That is quite significant in a population of our size, and we have already seen attacks on Polish people and so on starting to happen, so we would be very concerned about that, particularly with the potential loss of all the EU funding programmes that would help us mitigate some of that. We think it is important that we either stay in some of the EU programmes or we have a special EU programme, possibly based on something like the Neighbourhood Partnership model for external borders, or that the UK and Irish Governments come together and put something together.

While we have resigned ourselves, for instance, to PEACE IV being the last European PEACE programme, we think there will be an even greater need for something that will bring people together both across the border and to mitigate against some of the ethnic and social tensions that we think will start hitting us as people start feeling some of the economic impacts.

The Chairman: I will come to Peter in a minute. You have just said something I want to ask you a question about. In your opening remarks you talked about a sense of detachment from the whole process, which I thought was interesting but perhaps we will not go on about that today. On the immediate, from what you have just said, did you have in mind the possibility of a specific, fresh bilateral UK-Irish deal or some kind of tripartite EU-Irish Republic-UK Government deal, or what?

Ruth Taillon: We see great difficulties with a specific bilateral deal, because although the UK could give certain guarantees to Irish and other EU citizens in the UK, we do not think the Irish Government have the same flexibility as one of the 27. However, if there is scope for something like a bilateral programme between the two Governments, I am not sure



if there would be barriers to that, in terms of just supporting the peace process and stabilisation on the island. Ideally, we would like to see Europe keeping us in some of the European programmes, which would mean paying into the European budget for them. Something, for instance, modelled on the European Partnership Programme would allow us to then keep being involved. It has been very important. Our centre recently pushed a proposal to DG Regio about a potential way in which we could, with some very European partners, support their cross-border programmes, and already we were told that we would not be included if that was taken forward because of the political sensitivities. We were just putting a very preliminary proposal to DG Regio and already they are saying that until Brexit is sorted, they are not going to include us. Already we can see people being excluded or being dropped off. The same thing has been reported by people in research programmes. They are just not being integrated into them because of the uncertainties. A lot of the benefits of Europe have been those contacts and being part of those circles, so if we have to fall back on a UK-Ireland programme for some things, that is definitely second best to being involved with our European partners.

The Chairman: I will come to Peter in a moment. May I just ask you one other question, which is about the existing bilateral contacts between the UK and Irish Governments, and between the Irish Government and the Executive here? Maybe Anthony would like to answer this. Are they sufficient to deal with the implications of Brexit, or do we need new mechanisms? Are we satisfied that we have enough fire power to even work out what is likely to happen and to influence the negotiations, given good will?

Dr Soares: We have structures there currently that could be exploited more fully. We have the British-Irish Council, the intergovernmental conference, and obviously the North/South Ministerial Council, where, in terms of Ministers and political leaders, you have that north-south and east-west dimension. That gives the potential for a dialogue around how the consequences of the UK's departure from the EU could be minimised, both for both parts of this island and for Great Britain. The potential is there; whether it is being exploited to its full extent is another question.

We also must say that we welcome the recent initiative from the Taoiseach and the Irish Government in terms of opening the all-island dialogue, which brings another dimension. It is important that the discussions are around not just the consequences of Brexit but also coming up with concrete proposals on how to deal with the consequences, because the consequences have been studied and identified prior to the referendum and since the referendum. It is now time to come up with some concrete proposals on how we move forward.

In that context, it is really important that we do not limit the conversations just to political representatives and senior civil servants. We need to have a cross-sectoral dialogue that encompasses all sectors and has a north-south dimension. Our island has to listen to that conversation. It would be welcomed if that also took place on an east-



west basis, so it is not just civil society talking about Brexit on this island, but there is also that opportunity for it to take place on an east-west basis as well. The structures exist, but there is potential to exploit them further.

Peter Sheridan: On the border, just to reiterate what Ruth said, the agreement brought about an invisible border. It has already started to dominate politics again here. I do not know if you have had the opportunity to go across the border yet. You will be handed a leaflet—

The Chairman: We have seen the pictures.

Peter Sheridan: That is organised by people who are about peaceful protest, but mass protest and violent confrontation are part of the political culture here. If there was some sort of border there that people are against, it is not too far a step—I recall the very first shootings at a border checkpoint at the beginning of the conflict, so it will create that barrier in people's minds as well, and it could raise the issue of identity again. One of the things the Good Friday agreement did was to remove that tribal issue of identity where you could be British, Irish or both. For many northern nationalists in particular, they were comfortable being Northern Ireland in the context of Europe; being Northern Ireland in the UK is not what they were thinking about at the time, so that might raise those issues of tribal identity again. I would not want to overemphasise that issue of civil unrest as part of what we are thinking about, but we should not become complacent about it.

When you were asking about other models, I know that between Germany and Switzerland there have been no border controls since 2008, or very few. You can fly between Berlin and Zurich with only your ID card. You can walk across the border from Basel without any documentation at all. There are models and similarities there. We do not need to move to a hard border. There is an issue of differentiating between goods and people moving across the border, and how you differentiate those two things will be difficult.

As Ruth said, there is a danger for us that we become economically isolated. We are 1.5 million people; the UK is 60 million people. The negotiations will largely happen between the EU Council and the UK, even to the extent that the Irish Government will be one-27th of that in those negotiations. I listened to what David Davis said and I listened to what the Prime Minister said, and I am absolutely sure that that is what they want to do, but you wonder, as those negotiations begin to happen, how much of this gets lost in the ether. That is our concern.

Q58 **Lord Whitty:** You have partially touched on this, but one thing is to improve Northern Ireland's role in the negotiations themselves and the degree to which the British Government is taking that into account. For them to do so, they need to know where Northern Ireland as a whole would wish to end up. Is there a unified view? Is there the possibility of having bespoke agreement or agreements on parts of the deal? There has been reference to possibilities of partial agreements on areas that are



currently funded or jointly run by the UK with heavy Northern Irish participation. There are things such as Erasmus. Do you envisage, even with an overall outcome that is detrimental to much of Northern Ireland, the possibility of bespoke arrangements for Northern Ireland in the final outcome?

Dr Soares: We can address it in a different way. Instead of a bespoke arrangement for Northern Ireland—I do not like the term a “special status” for Northern Ireland—it might be more positive to look at this from the Republic of Ireland’s perspective. As a member state of the European Union, the Republic of Ireland could negotiate with the other member states recognition of its particular circumstances, because of its geography but also, very importantly, because it is a co-guarantor of the 1998 Belfast Good Friday agreement, in which the EU has invested a lot, not just financially but politically. The Republic of Ireland and the Irish Government here have a crucial role in negotiating with the Commission and its fellow member states recognition of its own particular needs, rather than us addressing this from a perspective that might appear to the Commission and the other member states as rewarding the UK as it departs the EU. It is taking it from a different perspective.

Peter Sheridan: There are things that they can agree on, even though the two parties in government took different positions. They have agreed on the need for British-Irish relationships and north-south relationships to continue to be strengthened, even as formal relationships are removed. There is a need for more informal relationships, so they have agreed on that, and they have all agreed that they want to minimise the impact of the border; that they want to continue as uninterrupted as possible; and that they want the peace process to continue. There are things that they can agree and have agreed on. I do not think it is a case of them being at two separate ends of the spectrum.

Ruth Taillon: There is quite a lot of potential at different levels for dispensations to be given. A good percentage of our population in Northern Ireland—we are only a total of 1.5 million—have Irish citizenship and Irish passports. Just looking at university students, the two universities are still UK institutions, so they will be excluded as institutions, but some accommodation could be made, whether it is that the Irish Government pay in extra or there are some special arrangements so that those institutions can participate in things like Erasmus or Horizon 2020. You would not have to exclude those.

We would also be quite concerned for the EU citizens who live here and contribute to our economy. A lot of businesses are very dependent on east European workers, so already they are giving soundings that they are quite concerned about their workforces and the rights of their workers. Aside from the visibility of the border, we would be very concerned about that border in terms of the freedom to travel, work and live, and then all the associated things around that, which get very messy.



We certainly do not have answers about pensions, the implications for things such as child benefit and all those things that at the moment fall back on EU law. If those laws stayed in place and were not eroded and chipped away at, that may be the solution, as long as people were given the opportunity. I can foresee, going back to the issues around social conflict, if the border stays open but is controlled by, for instance, lots of raids on chicken factories and people being asked, five miles from the border, to show identity cards or whatever to prove that they have the right to be here, then all of that will feed into what we have already seen with the attacks on Polish families and so on. I would be quite concerned about that.

The Chairman: May I ask one question on that? The significant non-Irish but EU involvement in the labour force here has been something of a revelation for me. I am not sure whether there are any readily available statistics; it would be quite useful to have them. Possibly even more than other Members of the Committee, I have to work quite closely with the ambassadors in London, who will of course be accredited to Northern Ireland, and in certain cases perhaps to the Irish Republic; that is a separate issue. Inevitably, it is at the edge of their responsibilities in a way that, for example, immediate post-referendum incidents in Harlow in Essex were not. Is it your impression that other member states are taking an interest of the welfare of their nationals here and are at least alert to this as a potential social problem and a problem of some distress?

Ruth Taillon: Certainly the Polish consul has had things to say about it.

The Chairman: Indeed. Presumably there is a quite strong consular representation.

Ruth Taillon: The other nationalities have been mainly Lithuanians, Latvians, and some Romanians. The size of the Polish population here is quite significant. In some neighbourhoods it can just be somebody who they know is different and know as an outsider, so there has been quite a lot of that. Danny Kinahan, the Ulster Unionist MP, went around and met some of the Mid-Ulster businesses. He might be somebody worth getting first-hand reports from about some of the companies that he specifically talked to.

The Chairman: We can ask him.

Ruth Taillon: We know, as was in the news the other day, that five mushroom factories have already closed—that might be to do with currency differentials as well.

The Chairman: We have seen the report. Peter, did you want to add on this?

Peter Sheridan: On the bit about racist crime increasing, we were very fortunate here, during the conflict, that we did not have a racism problem, simply because there was nobody to be racist with. There were no migrant communities living here apart from the Chinese. However,



post the agreement, there are a lot of migrant communities and we have found that we are as good as anybody else at it. Of course, since the vote there has definitely been a rise or a spike in opposition against migrant communities who live here, in the same way as in the UK.

Q59 **Baroness Browning:** The UK Government have said that there would be no return to the hard borders of the past but, given that the Irish border will become an EU border, what is the solution in terms of keeping a soft border. How do you envisage it?

Peter Sheridan: When people talk about a hard border here, they imagine what the security checkpoints were on the border. There is no suggestion that that will happen, but that is the image it creates in people's mind here. I remember growing up. I lived in Fermanagh and went across to Bundoran on a Sunday. As you came back, you sat in a customs queue of traffic—it was nothing to with security—and, as soon as you got to it, you were waved on. It was just the very nature of the checkpoint. I do not even think that is what people are talking about. A lot of it will be made electronic, but there will be the need, I imagine, for some sort of physical checks to be made, whether through a border force stopping vehicles, as Ruth said, five miles away, with targeted intelligence around people illegally coming across the border. There are ways of doing it that do not mean you need to have a physical border.

It is difficult to see how, outside the customs union, there will not be some controls other than electronic controls, but I do not envisage that you will see border checkpoints in the way people saw them before. I think that is one of the difficulties here. Having lived through it and experienced border checkpoints, people see that as what a hard border is. I do not think the names "hard border" and "soft border" are particularly helpful, in any case.

Baroness Browning: I am sure you will have seen the articles in the *Guardian*. I wonder what your response is to the idea that the UK Government are seeking to shift the front line of immigration controls to Ireland's ports and airports to avoid that hard border between north and south. If that was the case, how would that work in practice?

Peter Sheridan: The articles emerged in the *Irish Times*, and the *Guardian* is doing a series of joint articles. Presumably they are saying that for anybody coming into that part of Europe, the Republic of Ireland, the checks and balances would be at Dublin Port, Dublin Airport and Rosslare, and that that would negate the need for anything on the 500 kilometres of land border that we have here. That depends on what Europe thinks of that decision, because ultimately the border between Northern Ireland and the Republic of Ireland, as somebody said, is an EU border, so I am not sure how they would view that solution.

Baroness Browning: How would that equate to the example you gave just now, of the arrangement between Germany and Switzerland?

Peter Sheridan: Air transport would be allowed. We would not have to show anything other than an identity card, which is what happens at the



minute, unless you travel with Ryanair, which demands your passport. If you travel from here to London, you show the identity card, as you know, and similarly if you travel down south, it is an identity card; when you get to Dublin Airport, you show your identity card and through you go. I would imagine that that is what would happen in that situation. Nothing would change. It would almost be reflective of the common travel area we have currently.

The checks already happen at Dublin Airport. Aircrafts arriving into Dublin Airport from other countries have to show their passports because they are not in Schengen, and similarly at ports the checks are there. They may have to be hardened at that level, but whether the EU is satisfied that it sees that as the border, I do not know.

Ruth Taillon: In any case, the Irish Government still have to let in other EU citizens. As Theresa May and others have said, that will be controlled by employment law, so basically they do not care how many EU citizens come through the Republic and into Northern Ireland. That is where we face the dangers of things such as border force raids on factories or Chinese takeaways or whatever it might be. I cannot see how it could be done, even if you put a ring of steel around the island. First of all, there will be political issues around people objecting when they try to go from here to Scotland or whatever if they are being treated like that. We have been through that with the Prevention of Terrorism Act, so I suppose people might accept stronger controls because of that security hardening anyway.

There is still that issue of the rights of EU citizens to come to the island. Are they going to be stopped if they try to go to Scotland? What will happen and how will that impact on us here? It is almost like they do not care how many people come here so long as they cannot get into Britain.

Peter Sheridan: You can get stopped still here. I travel on bus sometimes down south. Sometimes you get a Garda officer on who will step on the bus as it is at the minute. If we bring people from, say, Israel into our Dublin office, they get a visa to come to Dublin and they get a separate visa to come to Northern Ireland. They can come across and depend on being stopped up here and asked for their visa, so it currently goes on, but not to any great extent.

Dr Soares: The reports in the *Guardian*, which other newspapers took up, are picking up something that already exists. There are already arrangements between the Republic of Ireland and the UK for the co-ordination of immigration control, so maybe this is a stepping up of that, but this is not new. It has been happening. As Peter pointed out, there are random immigration checks that happen as you cross the border.

As Ruth pointed out, one way to perhaps maintain a soft border—obviously talking only about citizens—is to adopt the principle that EU citizens entering the Republic of Ireland and then entering Northern Ireland would not have the right to reside or employment, according to



whatever context we end up with in terms of the UK and what restrictions it wants to impose on EU citizens. If you adopt that principle for the rest of Great Britain, there would be no need for a hard border at the Irish Sea. If it is acceptable for Northern Ireland, it should be acceptable for the rest of the United Kingdom as well, and that would avoid the hard border at the Irish Sea.

Q60 Lord Jay of Ewelme: In a way, Mr Sheridan has answered the question I was going to ask about whether you can have some kind of border that is not a border to cope with customs, tariffs and so on. I think you have suggested, as I think, that some way can be found, with some kind of electronic means of doing that.

If I could go back to another question, Dr Soares mentioned the Irish Government's proposal for an all-island council. We heard this morning that the DUP or some other Ulster unionist parties might not take part in that. Do you have some indication of whether they would or would not, and what would it become if they do not? How significant an issue would it be?

Dr Soares: As it stands, the DUP has stated that it will not participate, and the Ulster Unionists equally have said that they will not participate in this. Obviously that is up to those political parties to decide what participation, if any, they will have in that dialogue. For example, the Democratic Unionist Party has concerns regarding the creation of yet another structure; they see the structures that currently exist as being sufficient. The First Minister has also emphasised at various points that the North/South Ministerial Council is the forum where those conversations should take place. Concerns have been voiced that this initiative will just be a talking shop, and there is a possibility that it might be a talking shop, especially if people who are going to participate—and we must point out that the Centre for Cross-Border Studies has been invited to participate in that initiative.

Lord Jay of Ewelme: And you will?

Dr Soares: We will, yes. It might become a talking shop if people are just talking about their concerns, concerns that have already been identified repeatedly in terms of the possible consequences of Brexit. I think it will become less of a talking shop if we have various sectors within business, civil society and political parties—the ones that will be there—presenting concrete visions and proposals for how we take things forward. That is what we need now: proposals, according to the various scenarios that might be in front of us, about how we take things forward.

Peter Sheridan: There may be something else in the background about why they are not taking part. One of the parts of the Good Friday agreement that has never been implemented was that there was to be a civic forum across the island of Ireland. That has never happened. The unionists and the DUP will be lukewarm to anything that feels and smells like a civic forum. I fear that some of that might be a concern: that what is being envisaged might be a forum through the back door, which they are not prepared to take part in.



Ruth Taillon: In any case, it is a civic dialogue, so there will be a lot of people who were perhaps leave voters, or certainly unionist voters, who will participate from their own interests as farmers, business people or civic society organisations. The fact that that is a way that those who are not attached to political parties or the Civil Service can participate in the discussion about the way forward is quite important.

Q61 **Lord Whitty:** In terms of the sectors that are most likely to be affected, particularly agriculture, are we looking at areas where a special agreement will be needed? Are we looking at the possibility of very serious economic and total disruption if we do not reach some agreement on agriculture, both on the funding side and on the trading side? Could you comment on that and other economic uncertainties such as currency, and how they are affecting the mood and the possibilities of agreement?

Dr Soares: The Centre for Cross-Border Studies recently undertook a piece of research that took a snapshot of cross-border flows within the agri-food sector. It was not a piece of research that was looking at Brexit at all; it was just looking at what the flows are currently within the agri-food sector in a specific geographic area. What we saw, which supports other research, is that—in terms of the importance of the two markets, north and south—the market in the Republic of Ireland is very important to the agri-food sector within Northern Ireland. There is obviously trade going in both directions, but the volume of trade going from the north to the south is much greater in proportion than that in the other direction. The southern market is extremely important for producers.

Working within the agri-food sector we also have a number of migrant EU workers, so any restrictions on movement of labour will affect the agri-food sector especially. We even have instances of cross-border workers, so workers who are coming from the Republic of Ireland to work in production companies in the north, who happen to be non-Irish EU citizens, so it is not just the flow of workers who are Irish or UK citizens. There are also cross-border workers who happen to be non-Irish EU citizens.

Brexit will potentially have an enormous impact on the agri-food sector, outside CAP, just in terms of trade. For the economy as a whole, for Northern Ireland to develop economically, as the Executive and various experts have pointed out on various occasions, we have to improve our export performance. Our market is so small that we have to improve our export performance. In sales, a lot of our economy is internal sales within Northern Ireland, so it is Northern Irish companies who just sell within Northern Ireland, and then the most important market is Great Britain, which obviously is not exporting for Northern Ireland. That is just external trade still within the UK. The possibility that the UK will no longer have access to the EU internal market, or might even be outside the customs union, will have potentially significant consequences for the economy as a whole, particularly for the agri-food sector here in Northern Ireland.



Ruth Taillon: If I may just add to that, 87% of farm income in the north is directly dependent on EU subsidies currently, which is a huge amount to replace. If there are problems, for instance, with the currency dropping and other economic downturns over the next two or three years, at a time when those subsidies from the EU are stopping and it is a devolved matter, it will be very hard to see how those subsidies could be replaced in anything like the amounts that are there now.

Also, we would be concerned because there is a different model of agriculture on this island from that in Britain. The EU policies support, for instance, rural populations by supporting rural development and diversification, to keep people in rural communities. That also has impacts on the environment, because even if the farmers are not productive in that sense, and are dependent on their subsidies, they are managing the environment and the land, which has huge significance. There is also opening up, for instance, to beef from America, Brazil or wherever, and hormones and antibiotics and GMO products that we will not be able to control. All of those will affect the rest of the UK but will disproportionately affect the farming industry here.

Lord Whitty: Apart from the international world trade dimension, all of those policy issues would become, in the absence of the EU, devolved matters for the Northern Ireland Executive.

Peter Sheridan: That is where some of the tensions are coming, because they are devolved. Agriculture, energy and the environment are all devolved matters, so there is a danger of it being recentralised again as part of the negotiations, which has the potential to impact on the relationships here, because one of the reasons people signed up to the Good Friday agreement was devolution. That could be removed because they cannot negotiate their position on it.

Ruth Taillon: Also, there were all the promises that were made about the money being clawed back to the Treasury and redistributed. Agriculture, education and health are all devolved matters. It is easy to foresee that a few years down the line, all the money that was supposed to be clawed back will not be there, and then we will have even more problems trying to support those areas of the economy that have been supported by us getting more of our share of EU funding than other regions.

The Chairman: We still have one or two really important areas to explore, and about 15 minutes to do it, so we will all have to be a little self-restrained. There is no one better, perhaps, than Baroness Armstrong to start with the next question.

Q62 **Baroness Armstrong of Hill Top:** On the peace process, the last time I met you, Peter, you emphasised the importance of continual work. This is an injection of concern. The peace process was based, in one sense, on both the Republic of Ireland and the UK Government being co-guarantors, but they are both members of the EU and that is changing. Where do you see the real challenges in the peace process coming?



Peter Sheridan: On the one hand, a huge amount of progress has been made here in the peace process, but you have only to look back to this time last year—last Christmas—when we were in crisis talks with both the Foreign Minister and the Secretary of State, who had to become involved in the fresh start. The Christmas before that was the Stormont House agreement. It is still a fragile place, and one of the real dangers of this, with the unpicking or unravelling of the Good Friday agreement, is that starting to impact on those relationships.

The constitutional arrangements of Northern Ireland were worked out in the context of continued partnership between Northern and Southern Ireland, and between London and Dublin, so you are absolutely right. Those tensions could manifest themselves over the next couple of years because, on the one hand, there may well be the opportunities for trade to be removed from London across to Dublin. The Republic of Ireland has already said that it stands with Europe and for Europe, and that even though it has its closest relations with Britain, nevertheless it sees its future in Europe, so one would imagine those tensions will continue. Likewise, there are tensions between political leaders in Northern Ireland and the Republic of Ireland.

Organisations such as ourselves will have to redouble our efforts around those informal relationships, not just in political life but in ordinary life—between teachers, between chief executives of councils—so that we continue to build those relationships that are less than the formal relationships. We should not become complacent about it. One of the concerns we have is about how much relevance the Good Friday agreement will have in the negotiations. We were not particularly relevant during the referendum, and we need to be careful that we are relevant during the negotiations.

To be fair to our politicians, I think they all see that and recognise that. However, as this starts to gather momentum, it is about how we continue to inject ourselves in that, because silly decisions could be made without reference to thinking about the impact on the unique circumstances here, so we will need to have our politicians at the table and involved in it.

The Chairman: Presumably you will also need quite a high-level involvement with the continuing peace process. You rightly emphasised the local elements of the nuts and bolts, civic society and people getting to know each other and learning to trust each other, but it also needs a political signature at a very senior level as well.

Peter Sheridan: It needs that reaffirming at the senior level.

Q63 **Lord Selkirk of Douglas:** May I ask a question about the impact of EU funding on Northern Ireland, especially over and above the funding guarantees given by the Treasury? I take absolutely the point that you have made about the importance of having relevance in negotiations. Are the guarantees given by the Treasury sufficient to mitigate the effects of the withdrawal of EU funding, particularly in relation to cross-border infrastructure projects such as the A5 western transport corridor, the



Ulster Canal and Narrow Water Bridge, and the north-west gateway initiative. Can you give us some picture of how important this is? I understand the guarantees last until 2020.

Peter Sheridan: Some commitments that have been made will depend on the Chancellor's Autumn Statement and how much commitment is in that, but nevertheless that will still be up to only 2020. Of course, EU funding was only up until 2020, so none of us knows what is beyond that and what the commitments will be. We have been particularly fortunate here in that about £1.3 billion of EU PEACE programme money went to particularly the border communities to help deal with some of the issues between communities on both sides of the border. None of us sees how that will be replaced and, as Ruth has said, we have some commitment under PEACE IV but there will be no PEACE V, and it is difficult to see whether the British Government want a similar funding arrangement; none of us can see that at this time. We are waiting until the Autumn Statement to see whether commitments made under PEACE IV will be guaranteed by the British Government.

Q64 **Baroness Armstrong of Hill Top:** The other big issue that was around during the peace process and the Good Friday agreement, and that has been very important since, is cross-border police and security co-operation. As the world becomes more dangerous, that level of co-operation becomes even more important. What do you see as the challenges and the threats?

Peter Sheridan: I will put on a former hat; I was a cross-border superintendent responsible for the border along with a colleague of mine. My former chief constable, Hugh Orde, has pointed out in the UK some of the difficulties for UK policing versus Europe, with our interaction with Europol and so on. We will not get access to those databases that we have access to now; extradition procedures will start to become difficult. It took a long time here to work through until we got to a workable solution. On one level, policing will continue across the border; those relationships will continue.

The Chairman: Is it not fair to say—it has certainly been reported to me—that the personal quality of those relationships and, as it were, the corporate attention to those relationships is streets better than it would have been, say, a generation ago?

Peter Sheridan: Absolutely. It is, and part of that is a result of the agreement and willingness to work together. It becomes difficult in the sharing of intelligence and the sharing of information. The day-to-day relationship between the police here and the Garda Síochána will not change; I do not see that changing. On sharing of intelligence and the movement of criminals across the border, if there is any border again, particularly if there are trade tariffs and so on, the likelihood of smuggling becoming particularly relevant is something that they will be very alert for. It is the legal arrangements that will be difficult, around Europol and Interpol. We have had access to that, and that will be more difficult and more challenging than the day-to-day relationship between the police and the guards.



Lord Jay of Ewelme: So you would see it as being in your interests that we should continue to have a close relationship of some kind with Europol and others.

Peter Sheridan: Absolutely.

Q65 **Lord Selkirk of Douglas:** Can I ask a very brief question? If, during the course of the discussions and negotiations that take place, you wanted to make representations, would you go through the First Minister? How would you raise matters?

Peter Sheridan: We would probably make it through all the political parties. We have regular meetings and relationships with all the political parties, so in trying to get stuff on the agenda we use them all.

Q66 **Baroness Wilcox:** In its contingency plan published immediately after the referendum, the Irish Government identified the implications for social welfare provision, the Irish energy market and the cross-border health services as key issues. What are your thoughts on this and the implications of Brexit in this context?

Peter Sheridan: The only one I have any knowledge of is the energy market, because in Northern Ireland we will be in difficulty in a few years' time around energy. The North-South Interconnector was a critical part of that. I do not know what impact Brexit will have on it but one would like to think that these things will be worked through and we will not be left with no electricity as a result of Brexit.

The Chairman: Without going on at length, our colleagues from another place, as we would call it, are in this place next door, examining these very issues.

Ruth Taitton: Perhaps I may respond on the health issue. There has been tremendous work done by the health authorities on both sides of the border to work together. We have, for a number of years now, had an entity known as Cooperation and Working Together, which involves the health authorities adjacent to the border on both sides. They have been largely, though not entirely, funded through the EU INTERREG programme. In the last programme I think they got €53 million, or at least it was €53 million for health co-operation across the border in the INTERREG programme, and CAWT got most of that. They have done tremendous work in terms of setting up so that doctors and other personnel can cross the border, patients can cross the border to get treatment where there are spaces, and all those sorts of things.

There have also been a couple of other important bilateral developments. One is around children's cardiac surgery, which now mostly takes place in Dublin, so children cross the border for that all the time. That was politically very sensitive for quite a long time, but the medical arguments finally held sway. Also our new radiology unit in Altnagelvin in Derry is a cross-border initiative between the two Governments. It is funded and staffed from both sides of the border, and patients from both sides of the border can go there for radiology treatments. That has been a huge



development that took ages to come to fruition, but a lot of it could be threatened because a lot of it has not been mainstreamed. A lot of these initiatives still depend on EU funding. They have done a lot of work on cross-border protocols for professional qualifications and all of that. Again, though, it has been done in the context of two European member states, so a lot of that could get lost if recognitions for people get changed, or anything like that.

Baroness Wilcox: I have asked this question once or twice now and we have been getting similar answers to this. It seems that one of the good things of our coming here today is that you can start to plan what you are going to go towards. Having these questions asked of you, I can see again and again which are the important things and which are the things you will want to come back to the British Government on, to speak to them and see what you can do. There was a third thing, which was social welfare provision.

Baroness Armstrong of Hill Top: May I follow up on social welfare, because that was one of the big issues of conflict within the Executive recently?

Dr Soares: To begin, a lot of the social welfare co-ordination that takes place between the Republic of Ireland and the UK falls back on EU regulations. As to what the UK decides to do post-Brexit, specifically how it addresses Irish citizens—I am not referring to non-Irish EU citizens—within the terms of the common travel area, frankly the UK can decide to do whatever it likes once it is outside the EU, and it can continue to give certain privileges to Irish citizens according to what already exists in UK law in terms of how it privileges Irish citizens, but Ireland will be restricted in what it can do to reciprocate once the UK leaves the EU. For issues of social welfare co-ordination—pension rights, child benefit rights and those transfers that eased under the EU—Ireland will be restricted in what it can do because it cannot be seen to be privileging UK citizens who are no longer within the EU unless, again, Ireland is able to argue for a special arrangement as a member of the EU, given its specific geographical position and its relationship with Northern Ireland and the UK.

Q67 **The Chairman:** Thank you. We begin to come to the conclusion. I am going to suggest that you offer any final thoughts for us. Have we missed anything? Perhaps Ruth might like to lead.

Ruth Taillon: I was just going to say that we have a number of briefing papers on different aspects of this, to which we will send you the links. They go into more detail. Most of those were written before the referendum, but I do not think the issues have really changed, although the concerns have changed. For instance, we have done a lot of work on family benefits, particularly for cross-border workers. That is where it gets complicated, if people are crossing the border because one parent lives on one side and the other lives on the other, and one person gets sick, or whatever.



Those sort of things, as I say, get very complicated. Until now we have fallen back on the EU regulations, but it is also a project that has been partnered with the North/South Ministerial Council, so it chairs the meetings of our advisory group for that project. We also have the departments north and south on that board with the Citizens Advice workers.

We have some evidence of what the social welfare issues will be. I am not an expert in it. It is very complicated, but we will make sure that you have the links to all our background documents.

Peter Sheridan: I have a small ask. It is important to ensure that the relationship between Ireland and the UK will change as little as possible after this. That would be a key win for us. Also important are the protection of the peace process, which is bespoke to here, measures to protect the economy—because I think we are in real danger of being isolated here—and protection of the common travel area.

The Chairman: Thank you. That is very clear. We are conscious that all this impacts on people as well as being a matter of high strategy. We are very grateful for your evidence and the way you have put it, as well as for your offer of continuing input, which would be appreciated because we shall be looking at this until it has all been tidied up, and we do not know when that will be. Meanwhile, I am grateful to you and I declare this formal session closed. We will now adjourn.