

# Impact of Brexit on the Development of Irish Regions and their Cross- Border Cooperation

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**Regional Development**





RESEARCH FOR REGI COMMITTEE

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# Impact of Brexit on the Development of Irish Regions and their Cross- Border Cooperation

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## **Abstract**

The UK Withdrawal Negotiations raised awareness about the positive effects of European integration on regional development and cross-border cooperation in Ireland – and their vulnerability to Brexit. This report explains and evidences the impact of Brexit – anticipated, actual and potential – in this unique case study. Its focus is on non-trade related matters, including administrative, environmental and cultural, particularly as managed at local and regional levels. In light of these, it makes recommendations for future territorial cohesion and regional development in Ireland.

This document was requested by the European Parliament's Committee on Regional Development.

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## LIST OF ABBREVIATIONS

<b>AA</b>	<b>Appropriate Assessment</b>
<b>AEBR</b>	<b>Association of European Border Regions</b>
<b>AIRO</b>	<b>All Island Research Observatory</b>
<b>ARB</b>	<b>Architects Registration Board</b>
<b>BAR</b>	<b>Brexit Adjustment Reserve</b>
<b>CAP</b>	<b>Common Agricultural Policy</b>
<b>CAWT</b>	<b>Co-operation and Working Together</b>
<b>CBEMG</b>	<b>Cross Border Emergency Management Group</b>
<b>CBI</b>	<b>Confederation of British Industry</b>
<b>CCBS</b>	<b>Centre for Cross Border Studies</b>
<b>CCMA</b>	<b>County and City Managers Association</b>
<b>CER</b>	<b>Commission for Energy Regulation</b>
<b>CJEU</b>	<b>Court of Justice of the European Union</b>
<b>CSO</b>	<b>Central Statistics Office</b>
<b>CTA</b>	<b>Common Travel Area</b>
<b>DBEI</b>	<b>Department for Business, Enterprise and Innovation</b>
<b>DCU</b>	<b>Dublin City University</b>
<b>DPER</b>	<b>Department of Public Expenditure and Reform</b>
<b>EBR</b>	<b>East Border Region</b>
<b>ECJ</b>	<b>European Court of Justice</b>
<b>EEC</b>	<b>European Economic Community</b>
<b>EEIG</b>	<b>European Economic Interest Groupings</b>

<b>EGTCs</b>	<b>European Groupings for Territorial Cooperation</b>
<b>EHIC</b>	<b>European Health Insurance Card</b>
<b>EMA</b>	<b>European Medical Agency</b>
<b>EMRA</b>	<b>Eastern and Midlands Regional Assembly</b>
<b>ERDF</b>	<b>European Regional Development Fund</b>
<b>ERNACT</b>	<b>European Regions Network of the Application of Communications Technology</b>
<b>ESB</b>	<b>Electricity Supply Board</b>
<b>ESDP</b>	<b>European Spatial Development Perspective</b>
<b>ESIF</b>	<b>European Structural and Investment Funds</b>
<b>ESF</b>	<b>European Social Fund</b>
<b>ESF+</b>	<b>European Social Fund Plus</b>
<b>ETA</b>	<b>Electronic Travel Authorisation</b>
<b>ETB</b>	<b>Education and Training Board</b>
<b>EU</b>	<b>European Union</b>
<b>FDI</b>	<b>Foreign Direct Investment</b>
<b>GB</b>	<b>Great Britain</b>
<b>GDP</b>	<b>Gross Domestic Product</b>
<b>GNP</b>	<b>Gross National Product</b>
<b>HAP</b>	<b>Housing Assistance Payment</b>
<b>HSE</b>	<b>Health Service Executive</b>
<b>IBEC</b>	<b>Irish Business and Employers' Confederation</b>
<b>ICBAN</b>	<b>Irish Central Border Area Network</b>
<b>ICLRD</b>	<b>International Centre for Local and Regional Development</b>
<b>IDA</b>	<b>Industrial Development Agency</b>



<b>IE</b>	<b>Republic of Ireland</b>
<b>IFI</b>	<b>International Fund for Ireland</b>
<b>IRA</b>	<b>Irish Republican Army</b>
<b>IREO</b>	<b>Irish Regions European Office</b>
<b>ITI</b>	<b>InterTradeIreland</b>
<b>JBC</b>	<b>Joint Business Council</b>
<b>JTF</b>	<b>Just Transition Fund</b>
<b>LCDCs</b>	<b>Local Community and Development Committees</b>
<b>LECP</b>	<b>Local Economic and Community Plan</b>
<b>LEOs</b>	<b>Local Enterprise Offices</b>
<b>MHRA</b>	<b>Medicines and Healthcare products Regulatory Agency</b>
<b>MOU</b>	<b>Memorandum of Understanding</b>
<b>MRPQ</b>	<b>Mutual Recognition of Professional Qualifications</b>
<b>NBP</b>	<b>National Broadband Plan</b>
<b>NDNA</b>	<b>New Decade New Approach Agreement</b>
<b>NDP</b>	<b>National Development Plan</b>
<b>NI</b>	<b>Northern Ireland</b>
<b>NIP</b>	<b>Northern Ireland/Ireland Protocol</b>
<b>NPF</b>	<b>National Planning Framework</b>
<b>NIFRS</b>	<b>Northern Ireland Fire and Rescue Service</b>
<b>NISRA</b>	<b>Northern Ireland Statistics and Research Agency</b>
<b>NSMC</b>	<b>North South Ministerial Council</b>
<b>NWRA</b>	<b>Northern and Western Regional Assembly</b>
<b>NWRCBG</b>	<b>North West Region Cross-Border Group</b>

<b>NWRDG</b>	<b>North West Regional Development Group</b>
<b>NWSGP</b>	<b>North West Strategic Growth Partnership</b>
<b>POs</b>	<b>Policy Objectives</b>
<b>QUB</b>	<b>Queen's University Belfast</b>
<b>RIAI</b>	<b>Royal Institute of the Architects of Ireland</b>
<b>RDS</b>	<b>Regional Development Strategy</b>
<b>RPA</b>	<b>Review of Public Administration</b>
<b>RSES</b>	<b>Regional Spatial and Economic Strategy</b>
<b>S3</b>	<b>Smart Specialisation</b>
<b>SEA</b>	<b>Single European Act</b>
<b>SEM</b>	<b>Single Electricity Market</b>
<b>SEUPB</b>	<b>Special EU Programmes Body</b>
<b>SIB</b>	<b>Strategic Investment Board</b>
<b>SME</b>	<b>Small and Medium-sized Enterprise</b>
<b>SOLACE</b>	<b>Society of Local Authority Chief Executives</b>
<b>TCA</b>	<b>Trade and Cooperation Agreement</b>
<b>UCC</b>	<b>University College Cork</b>
<b>UI</b>	<b>Universities Ireland</b>
<b>UK</b>	<b>United Kingdom</b>
<b>UU</b>	<b>Ulster University</b>
<b>VEC</b>	<b>Vocational Education Committee</b>
<b>WDC</b>	<b>Western Development Commission</b>
<b>WEFO</b>	<b>Welsh European Funding Office</b>
<b>WFD</b>	<b>Water Framework Directive</b>

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## EXECUTIVE SUMMARY

This report explores the impact of Brexit on the development of Irish regions and their cross-border cooperation. The research presented includes a review of the literature and policy analysis, plus evidence from semi-structured interviews and focus groups conducted specifically for this report.

The report first provides an overview of regional development in the Republic of Ireland (heretofore referred to as Ireland) and cross-border cooperation with partners in the United Kingdom, most notably Northern Ireland. This includes cooperation supported under the INTERREG and Peace programmes.

Regional development policies and North-South political, legal and institutional ties, common approaches and mutually-beneficial collaborative frameworks have emerged and been consolidated over the past two decades against the backdrop of EU membership and with EU support - both tacit and explicit. EU cohesion funding has been, and remains, vital for the social, cultural and economic development of the island of Ireland. Membership of the EU has been critical to achieving regulatory and policy alignment across a range of sectors. Local authorities have been among the foremost actors in driving cross-border collaboration. Such collaboration has improved efficiencies, enhanced services and engendered modes of collaborative governance that have fostered peace and prosperity across the island. At local government level, a number of models have been developed to enable and strengthen collaborative practice; with bi-lateral agreements such as Memorandum of Understanding and Partnership arrangements proving most effective on the island of Ireland. This is particularly the case for cross-border collaborations.

Official and informal cross-border bodies and networks have been crucial to supporting all-island regional development. Over the past two decades, outside of the 'formal delivery bodies', different structures and players have become involved in inter-regional and cross-border cooperation; the exact arrangements being determined by local circumstances and/or the sectoral need. These regional initiatives are essential in supporting decision-makers and communities alike in ensuring a continued policy and regulatory alignment on transboundary issues. Inter-agency collaboration can yield dividends in respect of building trust and positive inter-community relations, enhancing infrastructure, improving services and delivering more integrated planning.

Both the EU and the UK have recognised the importance of the cross-border dimensions of the Good Friday/Belfast Agreement and the challenges posed to cross-border cooperation by Brexit. More generally, the Irish government was very quick to consider the impact of Brexit through its regional development strategies. There are concerns around the impact of Brexit vis-a-vis certain EU funding programmes that have not been renewed under the new programming period, but also optimism around opportunities in higher education, trade and supply chains, etc. It is clear from various research and analysis conducted on the impact of Brexit that an extensive range of sectors, issues and themes involving local government across both jurisdictions will continue to be impacted by Brexit.

Six years after the referendum result, notwithstanding recent progress made with the Windsor Framework on the Protocol, there remains a lot of uncertainty around Brexit. This does leave some sectors in limbo where a lag in planning was stretched as EU-UK negotiations continued. While Brexit has yet to play out in full, impacts are already being felt across a range of sectors. It has also, rather quickly, become obvious that the ramifications of Brexit are complex and cross-cutting. The immediate impact of Brexit has not been the tremendous disruption expected. In part, this can be attributed to the strength of regional and cross-border partnerships and collaborations that have been built up in the last two decades or more. In the absence of a final resolution, the Irish Government, together with

local and regional authorities, the business community and civic society have been proactive in taking an all-island and cross-border approach to redressing what issues they can as they arise.

Ongoing issues and concerns on a cross-sectoral basis concern regulatory alignment/divergence, policy alignment/divergence, citizen and non-citizen rights, travel and labour rights, recognition of skills and qualifications, data-sharing and GDPR, access to research funding, and monitoring and enforcement issues. Cross-border cooperation on the island is no longer primarily covered by common EU single market membership but is facilitated by a complex arena of legal agreements and policy arenas: these include the Trade and Cooperation Agreement, the Protocol under the Withdrawal Agreement, the Common Travel Area, and the work of the North South Ministerial Council (NSMC), for example. There now are new regulatory 'borders' all around Northern Ireland for various sectors and agencies to navigate, including local and regional development actors. Uncertainty, strains on resources, and difficulties in long-term strategic planning are all intrinsically linked to the political context of the breakdown of EU-UK agreements and relations, the absence of functioning devolved government in Northern Ireland and the consequential absence of a functioning NSMC. The longer this persists, cross-border collaboration will become less likely and more difficult.

Based on the conducted research and interviews, the authors of this study propose the following recommendations:

- Once Brexit has been finalised, there is a case to be made for convening a multi-stakeholder symposium to consider a long-term vision for the regions of the island of Ireland up to, for example, 2045.
- Greater commitment is needed to developing the potential of emerging economic corridors such as the Dublin-Belfast Corridor (with potential links to Cork) and the Atlantic Economic Corridor stretching from Derry to Cork.
- There is a need for greater promotion of regional models of good practices, such as the 'Smart Region Initiative' in the Southern Region and the North West Strategic Growth Partnership in the North West.

From the institutional point of view, it is important that:

- The role of the EU in the negotiations to date is widely valued and acknowledged.
- There is a strong case for better utilising the institutions of the Good Friday/Belfast Agreement, across its three strands, to meet the challenges that are being posed by Brexit.
- There is a need for an information portal on Brexit that is politically neutral and gives clear guidance on decisions made.
- There is a growing need for an all-island data-base covering data as it relates to, for example, the economy, health, education, demographics, connectivity, and supply chains.

While the commitment of the Irish Government under the Shared Island Initiative to investing in the all-island agenda, is both timely and a welcome, this cannot be considered a long-term solution.

- With the conclusion of programmes such as INTERREG Ireland-Wales, there is a need for long-term funding solutions which support inter-regional development.
- The confirmation of the PEACE PLUS programme is key to the immediate continuity of cross-border funding and relationships.
- The Strategic Planning and Engagement Programme under PEACE PLUS is a welcome addition to the programme.

There are still significant concerns regarding citizen rights, freedom of movement and the destabilisation of community relations as a result of Brexit.

- There is a need to continue to sustain cross-border relationships. Following the conclusion of projects under PEACE PLUS, a new mechanism will be required to deliver on this commitment post-2027.
- Brexit will encourage and necessitate the need for new relationships/new collaborative structures to be established. This will require financial support.

# 1. INTRODUCTION

## 1.1. Context

Border regions cover over 40% of the European Union's (EU's) territory (Beck, 2008), so it is unsurprising that the European landscape is strongly shaped and influenced by the opportunities and challenges arising from their existence. The EU shares borders with 20 countries; this includes all overseas territories. As of 31 January 2020, the EU shares an external border with the United Kingdom. This follows the decision by the UK Government, following a referendum held on 23 June 2016, to exit the EU. This exit process has become known as 'Brexit' and, as a consequence of it, the border across the island of Ireland between the Republic of Ireland (heretofore referenced as 'Ireland') and Northern Ireland is now a border between an EU member-state and a third country (see Map 1). This is significant because the Irish border is both politically contested and a site of some of the closest and deepest cross-border cooperation in Europe (Taillon, 2014) and, more broadly speaking, it raises questions around inter-regional economic inter-connectedness, social cohesion and inequalities.

**Map 1: Overview Map of Ireland, Europe and its external borders with the United Kingdom**



Source: CBC News

The Single Market, which was introduced on 1 January 1993, conceives the EU as a single territory without internal borders or regulatory obstacles to the free movement of goods, capital, people and services. Its purpose was to stimulate competition and trade and improve efficiency. This, together with



the Customs Union and the long-standing Common Travel Area (CTA) arrangements between the UK and Ireland resulted in the Irish border becoming a soft, open border characterised by fluid movement of goods and people. These arrangements didn't only benefit those counties adjoining the Irish border but rather the whole of the island of Ireland. Significantly, the commitment of the Irish Government "throughout the Brexit process to preventing the emergence of a hard border on the island of Ireland" – recognising that such a scenario could have the potential to undermine wider community relations and political stability in Northern Ireland – remains of the highest priority (Government of Ireland, 2019: 5-6).

The impact of the UK's withdrawal from the EU ('Brexit') on the island of Ireland, therefore, has been particularly complex and profound, with widespread ramifications. Immediately following the referendum there were many unknowns as to what the implications of Brexit would be for regional development, particularly on the island of Ireland. Somewhat surprisingly, and frustratingly, six years on there remains a great degree of uncertainty as to what its impact on the regions will be. Despite the ongoing challenges in the implementation process, the positive impact of common UK and Irish EU membership on cross-border cooperation and on regional development on the island of Ireland has been something that both sides have acknowledged and wished to preserve as much as possible into the post-Brexit context. This report considers the nature of this challenge and the degree to which these objectives have been met.

## **1.2. The importance of EU membership**

When joining the EU, together with the UK and Denmark, in 1973, Ireland was broadly regarded as a small insular and peripheral country on the edge of Europe. Fifty years on, Ireland is now viewed as a prosperous member of the EU; with the EU having been a catalyst for significant social and economic progress. According to the Central Statistics Office (CSO, 2003), "This transformation is marked by increased international trade and investment, employment growth and a higher standard of living" (p.viii) and can be evidenced by such indicators as growth in Gross Domestic Product (GDP) and Gross National Product (GNP), average life expectancy, increased household incomes, a diversification of trading and consumption patterns, and a significant broadening of employment sectors. This metamorphosis was enabled by the Irish Government strategically positioning itself as part of, for example, the Single European Act (SEA) and Maastricht negotiations to ensure it, as a small state, benefitted significantly from the resulting redistributive measures agreed across a larger union. As a result, "Ireland would benefit from a supranational transfer of wealth unprecedented in history" that would include "a doubling of resources in the EU budget for the structural funds between 1988 and 1992, and a doubling of the transfers to the Cohesion states, including Ireland, by 1993" (Laffan and O'Mahony, 2008; quoted in O'Brennan, 2010: 3). These monies were used wisely in developing the country's physical infrastructure and in the retraining of a workforce heavily reliant on sectors such as textiles and manufacturing that were in steep decline (O'Brennan, 2010).

The EU, from the 1990s onwards, has also played a substantial role in peace-building on the island of Ireland; through dedicated funds in support of the peace process in Northern Ireland and across the Irish border counties and as co-guarantor of the 1998 Good Friday/Belfast Agreement. In terms of dedicated funding supports, this included enhancing the funding of the International Fund for Ireland (IFI) as well as establishing a dedicated PEACE programme, the rationale for which was "articulated as the maintenance of momentum for peace, and the improvement of economic and social conditions" and with agencies such as "local authorities, business, trade unions and voluntary associations" at the local level playing a key role in the programme's design and implementation (Bush & Houston, 2013).

Following the 1998 Good Friday/Belfast Agreement, which signalled the end of ‘The Troubles’, EU membership and support – both tacit and explicit – was a significant backdrop to the emerging North-South political, legal and institutional ties and the common approaches and mutually-beneficial collaborative frameworks that emerged and have been consolidated over the past two decades.

“The north-south structure is established under the Good Friday Agreement and the frameworks for cooperation were established at a time when there was an assumption that there would be continued regulatory and policy alignment between the two jurisdictions on the understanding that many of the things that we talk about on an island wide basis would continue to be governed by policy developed at an EU level.”  
(Interview 8)

Indeed, many of the rights contained within the Good Friday/Belfast Agreement are underpinned by EU legislation and a clear presupposition “that both Ireland and the United Kingdom would both be members of the European Union” (McCrudden, 2018: 4). Despite some bumps along the way (rejection of the referenda on Nice in 2001 and Lisbon in 2008) (O’Brennan, 2010), the Irish government has become increasingly vocal on its on-going commitment to the EU, and the value-added stemming from its membership.

From the late 1990s onwards, processes of European Integration became strongly associated with local-level ‘functional’ territories and, strategically significant for the island of Ireland, inter-jurisdictional collaboration. Local authorities on both sides of the Irish border have been among the foremost actors in harnessing the potential of EU subventions and driving cross-border collaboration, recognising the benefits that flow to them as key service providers and to the people they serve. This was further strengthened in 2014 following the reform of local government in both Ireland and Northern Ireland that would lead to greater shared competencies and an alignment in functions than any time previously. Over the past twenty years, local authorities have successfully levered EU funds and supports on a cross-border and inter-regional basis (North/South and East/West) and have made strategic investments in both hard and soft infrastructure. Such collaboration has improved efficiencies, enhanced services and engendered modes of collaborative governance that have further fostered peace, reconciliation and mutual understanding and respect. There have also been clear economic dividends.

### 1.3. The impact of Brexit

“Brexit has strained both political and civic relationships and also made the practical work of cross-border cooperation, both North-South and East West, more complex and more challenging.” (Interview 12)

With cross-border engagement at a national and local level being at its strongest in the past decade, the decision by the UK to leave the European Union in 2016 cast a dark shadow over the collaborative space. As noted by Grant Thornton, the referendum result “created a great deal of socio-economic uncertainty which will present challenges to local government in the delivery of services and other economic development priorities” (2016: 1). More broadly speaking, the National Competitiveness Council identified Brexit in July 2017 as “the foremost downside economic risk” – with immediate effects including uncertainty, reduced growth and exchange rate fluctuations (Keyes, 2017: 2).

With no template for how a member state withdraws from the EU, Brexit has – and will continue to be – a catalyst for significant change both on the island of Ireland and across wider East-West, EU-UK relations. The referendum result marks the first time that a Member State has chosen to leave the EU

since the establishment of the European Economic Community under the 1957 Treaty of Rome (Gilmartin et al, 2018). The deep familial, economic, social and cultural links between Ireland and Northern Ireland undoubtedly have left Ireland particularly exposed to the disruption of Brexit – a disruption that has yet to be fully played out.

## 1.4. This report<sup>1</sup>

This report explores the impact of Brexit on the development of Irish regions and their cross-border cooperation. Its focus, like many studies on Brexit, is not confined to the Irish border region but to the whole of Ireland, encompassing the three Regional Assembly areas – Northern and Western Regional Assembly (NWRA), Eastern and Midlands Regional Assembly (EMRA) and Southern Regional Assembly (SRA) – two of which directly share a border with Northern Ireland. It should be noted that there is a cross-border dimension to a wide range of processes of regional development in Ireland. As such, we do not split ‘regional development’ from ‘cross-border cooperation’ into separate sections in this report.

The research presented in this report includes a review of the literature (including other reports) and policy analysis. We conducted a total of thirteen semi-structured interviews and two focus groups specifically for this report, in December 2022-January 2023. Interviewees were individuals in senior positions from a range of cross-border bodies (in the public, private and voluntary sectors), local authorities, and stakeholder networks in related fields (see Annex 1). These were conducted with the approval of the Research Ethics Committee in Maynooth University. In a sign of the sensitivities of the topic in this context, a number of our interviewees requested complete confidentiality. To respect this, we have anonymised all our interview and focus group data. Both interviews and focus groups covered the following broad schedule of questions focused on the organisation represented by the individual:

- Preparations for Brexit (specific to cross-border cooperation and/or regional development);
- How ways of working have changed following Brexit (particularly relating to cross-border cooperation and/or regional development);
- Changes to the organisation’s long-term strategy after adapting to Brexit;
- Post-Brexit challenges for cooperation that have been successfully addressed;
- Unexpected challenges encountered/ new opportunities opened; and
- Any recommendations or requirements to improve cross-border cooperation/regional development.

The report is organised in five main parts:

- Chapter 2 provides an overview of regional development in the Republic of Ireland (heretofore referred to as Ireland) and cross-border cooperation with partners in the United Kingdom, most notably Northern Ireland. This includes cooperation supported under the INTERREG and Peace programmes;

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- Chapter 3 outlines the architecture of regional development and cross-border cooperation on the island, to illustrate the complexity of the challenge;
- Chapter 4 summarises the challenges posed by Brexit to regional development and cross-border cooperation on the island of Ireland;
- Chapter 5 considers the responses to Brexit, including how the Protocol on Ireland/Northern Ireland included in the Withdrawal Agreement (October 2019) addressed these; and
- Chapter 6 looks ahead to the anticipated longer-term impacts of Brexit given present experience and the new EU Framework for the period 2021-2027; it also includes policy recommendations to be considered by members of the REGI Committee.

## 2. REGIONAL DEVELOPMENT AND CROSS-BORDER COOPERATION ON THE ISLAND OF IRELAND

### KEY FINDINGS

- In comparison with other European and OECD countries, local and regional government in Ireland is very centralised, with local authorities and regional assemblies having limited local discretion.
- The development policies of Ireland's three regions are informed by regional, and national as appropriate, strategies; the genesis of which are linked to the ESDP. This also holds true for Northern Ireland.
- North-South political, legal and institutional ties, common approaches and mutually-beneficial collaborative frameworks have emerged and been consolidated over the past two decades against the backdrop of EU membership and with EU support - both tacit and explicit.
- EU funding, and in particular the INTERREG and Peace programmes, have been, and remain, vital for the social, cultural and economic development of the island of Ireland; playing also a critical role in building good relations and promoting peace and stability.
- Local authorities have been among the foremost actors in driving cross-border collaboration, recognising the benefits that flow to them and to the people they serve. Such collaboration has improved efficiencies, enhanced services and engendered modes of collaborative governance that have fostered peace, reconciliation and mutual understanding and respect.
- At local government level, a number of models have been developed across Europe to enable and strengthen collaborative practice; with bi-lateral agreements such as Memorandum of Understanding (MOU) and Partnership arrangements proving most effective on the island of Ireland. These are becoming important instruments in wielding influence over those areas where local government has no formal function but yet resulting policies have a significant regional dimension.

### 2.1. Local and regional government – The reforms of 2014 and 2015

It is well documented that local government in Ireland is very centralised, with local authorities having limited local discretion. This is, according to O'Riordáin and VanEgeraat (2013), "underpinned by generally poor levels of electoral representation and limited functions and financial discretion relative to other members of the OECD" (p.3). As a centralised state, "Decision making powers are concentrated at national level and even more specifically in central government. Despite some important Dáil reforms, the government continues to control much of the political agenda" (Reidy, 2018, 1). Pre-2014, the system of local government in Ireland was still largely based on 19th Century configurations that resulted in "fragmented and disaggregated approaches to spatial development and public service organisation" (op cite, 3), despite numerous innovations in the previous two decades.

The 2014 reforms had significant bearings for both local and regional government in Ireland. Launched in 2012, Putting People First: Action Programme for Effective Local Government was "heralded as the 'most fundamental set of changes in local government in the history of the State from regional and

county level through to the municipal level of governance” (Shannon, 2016, 2), with many of the reforms introduced with effect from 1 June 2014 under the Local Government Reform Act 2014.

### 2.1.1. Local government reform

Under the Local Government Reform Act 2014, key structural reforms to local government included:

- The number of local authorities were reduced from 114 to 31<sup>2</sup>; this was achieved through
  - The dissolution of the 80 town and borough councils;
  - The merging of Waterford City and Waterford County Councils, Tipperary North and Tipperary South County Councils, and Limerick City and Limerick County Councils;
- Reducing the number of elected members from 1,627 to 949; and
- Establishing a sub-tier of local government through the creation of 95 municipal districts covering the entire area of each county (apart from Dublin, Cork and Galway cities).

Local authorities remain multi-purpose bodies responsible for delivering a broad range of services (see Table 1).

**Table 1: Summary of key functions of local government in Ireland**

Function	Key Tasks
Housing	Main providers of social housing for people who cannot afford their own accommodation. They do this through renting their own stock of accommodation to eligible applicants and providing social housing support through the Housing Assistance Payment (HAP).
Roads/ Traffic	Responsible for improving and maintaining regional and local roads, as well as public parking services, traffic wardens, setting speed limits on local and national roads, maintaining street lighting, trimming hedges and trees, drainage and gritting roads during very cold weather.
Recreation/Amenities	Provide funding to local youth, arts and sports services, as well as maintaining and operating public swimming pools, leisure centres and playgrounds. Local authorities also responsible for maintaining many public amenities, like parks and monuments.
Planning	Prepare county and local area plans and associated strategies (retail, housing, economic, climate, etc.) in line with national and regional policy, as well as oversee planning permission processes.
Economic Development	Develop local economic and community plan and provide supports to local micro-enterprises through the Local Enterprise Office (LEO). Also a role in contributing to the Regional Action Plans for Jobs.
Libraries	Operate a network of public libraries in Ireland. Public libraries are open to everyone and most of their services are free.
Environment	Play an important role in protecting the environment including issuing licences for industrial waste disposal and industrial air emissions, collecting

<sup>2</sup> This represents a 74% reduction in the number of local authority units in Ireland following the 2014 reforms.

	domestic, commercial and other waste, and granting licences to private companies to collect waste, issuing dog licences, appointing dog wardens, providing dog shelters and taking court action against dog owners where necessary, and enforcing laws on noise pollution.
Fire Services	Operate fire services with the responsible ministry, Department of Housing, Local Government and Heritage playing an advisory and policy-making role.
Register of Electors	Responsible for putting together and maintaining a list of voters in its area.

Source: Adapted from

[https://www.citizensinformation.ie/en/government\\_in\\_ireland/national\\_government/local\\_and\\_regional\\_government/functions\\_of\\_local\\_authorities.html](https://www.citizensinformation.ie/en/government_in_ireland/national_government/local_and_regional_government/functions_of_local_authorities.html)

While this listing at first glance may seem to tally with the responsibilities of local authorities across Europe, “Irish local authorities have quite restricted responsibilities in these areas, are primarily service providers and, they have limited capacity to shape policy” (Reidy, 2018, 4). Furthermore, while the 2014 Local Government Reform Act result in elected members being given some additional powers with regard to policy making, the sector has been experiencing a loss of function over the past two decades as a result of centralising reforms. This is particularly evident in the areas of health, education, and waste and water services. The establishment of the Health Service Executive (HSE) in 2005 – replacing ten regional boards – eliminated councillor contributions to health administration while the reform of Vocational Education Committees (VECs) into Education and Training Boards (ETBs) in 2013 led to a reduced role for councillors and local authorities in further and adult education (Reidy, 2018). Other key policy losses have included the loss of waste collection and the administration of third level education grants. The establishment of Irish Water in 2013 has, over time, removed responsibility for water services from local authorities<sup>3</sup>.

As noted by Reidy (2018), “In addition to councils, there is also a maze of boards, agencies and authorities with responsibility for tourism, area specific economic development and Gaeltacht areas” (p.4). The reform of local government also included changes to a number of these structures. The multi-agency City and County Development Boards were abolished and replaced by Local Community Development Committees (LCDCs), also a multi-agency committee led by local government and whose main function is to prepare, implement and monitor the community elements of the newly introduced six-year local economic and community plan (LECP). Likewise, City and County Enterprise Boards were disbanded, their powers given to Enterprise Ireland and then replaced by Local Enterprise Offices (LEOs) that would operate within the local authorities on behalf of Enterprise Ireland.

In Northern Ireland, over a similar timeframe, the Review of Public Administration (RPA) represented a shift towards good governance in the areas of health, education and local government; with all three sectors undergoing a radical structural overhaul. As part of the review of local government, the number of councils were reduced in 2015 from 26 to 11, while additional functions awarded to the new councils included:

- Planning including development management and the preparation of local development plans;

<sup>3</sup> In line with the Water Services Bill 2022, Irish Water became known as Uisce Éireann in January 2023 and assumed full responsibility for the delivery of all public water services in Ireland.

- Community planning;
- The power of well-being;
- Housing;
- Local economic development;
- Tourism and arts; and
- Sport and leisure.

This represented a significant alignment with local government functions in Ireland and enhanced opportunities for cross-jurisdictional collaboration.

#### 2.1.2. Reforms to regional government

The primary structural reforms to the regional tier of government in Ireland in 2014 involved the replacement of eight regional authorities and two regional assemblies with three regional assemblies (see Map 2), and a reduction in the number of regional members from 290 to 83. These changes came into effect in January 2015. Based on these amendments, the island of Ireland now consists of four regions as follows:

- Republic of Ireland: Northern and Western Region, the Eastern and Midlands Region and the Southern Region; and
- United Kingdom: Northern Ireland.

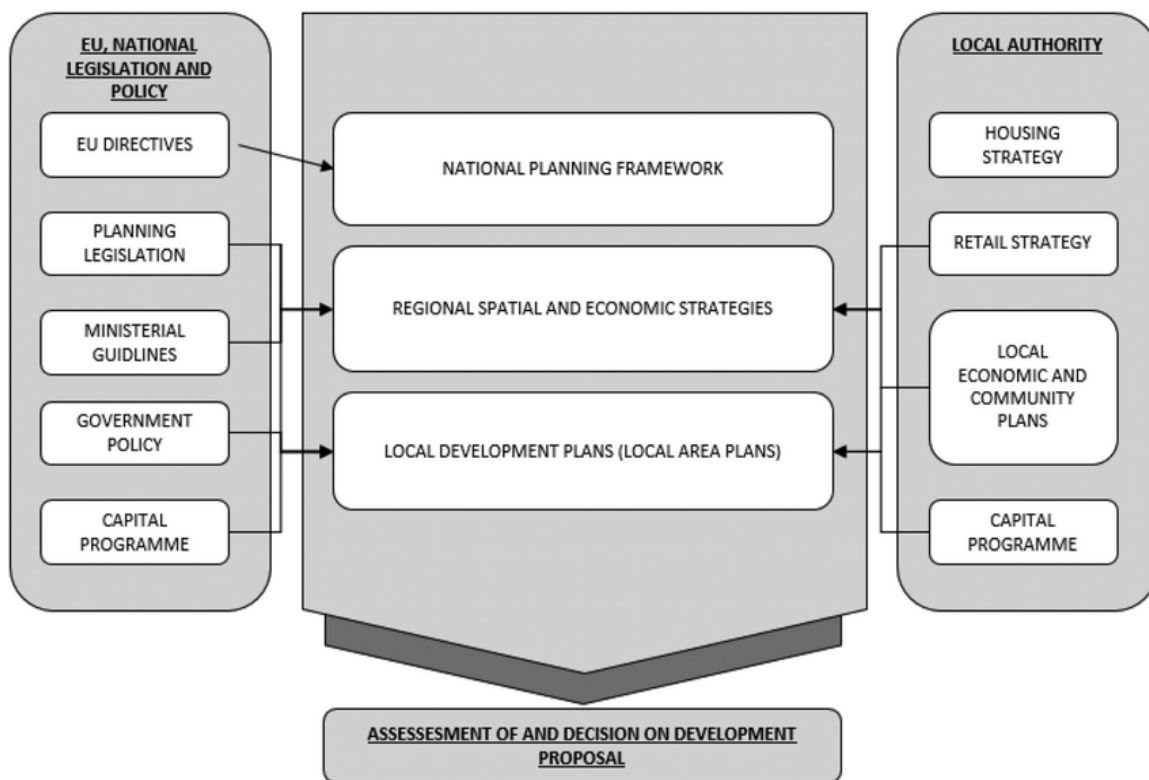


## 2: The regions of the island of Ireland



Source: Northern and Western Regional Assembly, <https://www.nwra.ie/better-places/>

The aim of the new assemblies is to co-ordinate, promote or support strategic planning and sustainable development and promote effectiveness in local government and public services. The new assemblies have a greater role in setting out the strategic planning, regional development and economic development priorities for their respective areas. When first established, their key function was to draw up regional spatial and economic strategies (RSEs). The RSE provides the framework through which the National Planning Framework for Ireland (Ireland 2040) and related Government policies and objectives will be delivered for the respective regions. Completed by 2020 in conjunction with the various enterprise and economic development agencies, these strategies have a statutory basis in the planning hierarchy (see Figure 1) and replace the previous regional planning guidelines.

**Figure 1: The Irish spatial planning hierarchy**

Source: Government of Ireland, 2018

Whilst the RSES for each regional assembly area were largely produced independently of each other, there are instances of shared priorities that require collaborative action and policy alignment; for example:

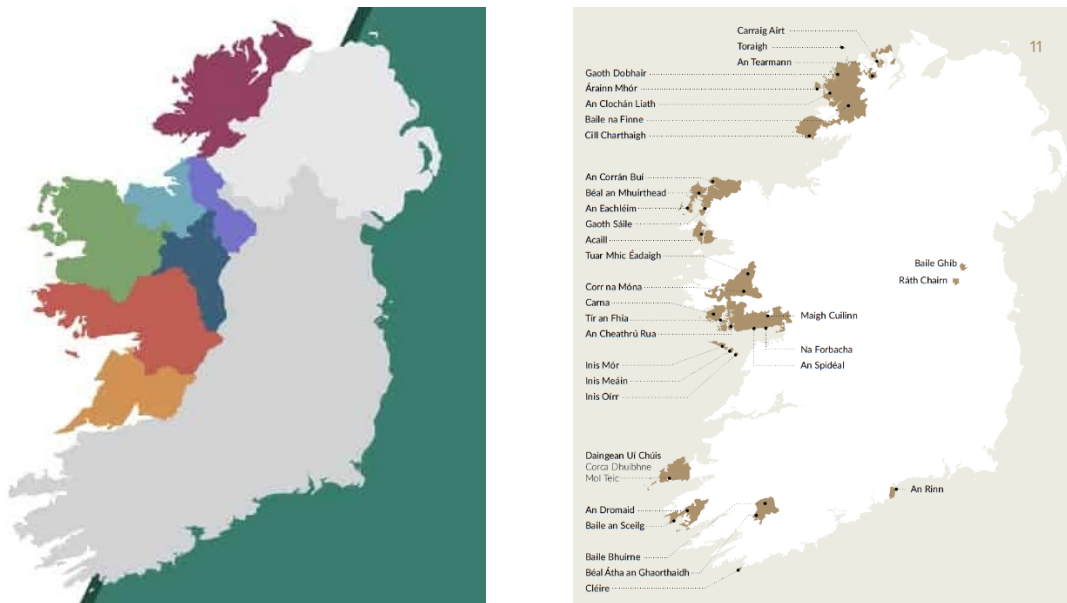
- The designation of Athlone as a Regional Growth Centre, spreading over counties Westmeath and Roscommon, being a shared priority of both Northern and Western Region and the Eastern and Midlands Region;
- The Atlantic Economic Corridor spanning the Northern and Western Region and the Southern Region;
- The development of the Dublin-Belfast Corridor, which includes the Newry-Dundalk Twin-City Region, involving both the Eastern and Midlands Region and Northern Ireland; and
- The North West City Region as the fourth largest agglomeration on the island of Ireland extending across parts of the Northern and Western Region and Northern Ireland.

The necessity for such collaboration builds on an already strong commitment to inter-regional/cross-border cooperation. Largely driven at grass-roots level, this has been a direct response to decades of 'back-to-back' policy development, with the government of each jurisdiction failing to take into account the impact of policies on its nearest neighbour (Busteed, 1992) and since 2015, has been facilitated by the greater alignment of function at local government level on a cross-jurisdictional basis.

## 2.2. The Irish regions and regional governance on the island

Complimenting the work of the regional assemblies (in both their current and former iterations) are a number of other spatially-focused regional development agencies. These are funded by national government and operate to short- to medium-term strategic plans. Two of note are the Western Development Commission (WDC)<sup>4</sup> and Údarás na Gaeltachta<sup>5</sup> (see Map 3). Both agencies have a core role to play in supporting communities to grow by funding and fostering a wide range of enterprise development and job creation initiatives, and investing in businesses to scale and planning for the future of their respective regions; with Údarás having the additional responsibility of ensuring that Irish remains the main communal language of the Gaeltacht areas and is passed on to future generations.

**Map 3: Spatial reach of the Western Development Commission (left) and Údarás na Gaeltachta (right)**



Source: Western Development Commission and Údarás na Gaeltachta, 2019 and 2021 respectively

In addition to the aforementioned four regions that span the island of Ireland, there are a further three informal sub-regions spanning those counties adjacent to the Irish border. These three regions are (see Map 4):

The North West Region (2 member authorities – Donegal County Council in Ireland and Derry City and Strabane District Council in Northern Ireland);

The Central Border Area (8 member authorities – Cavan County Council, Donegal County Council, Leitrim County Council, Monaghan County Council, and Sligo County

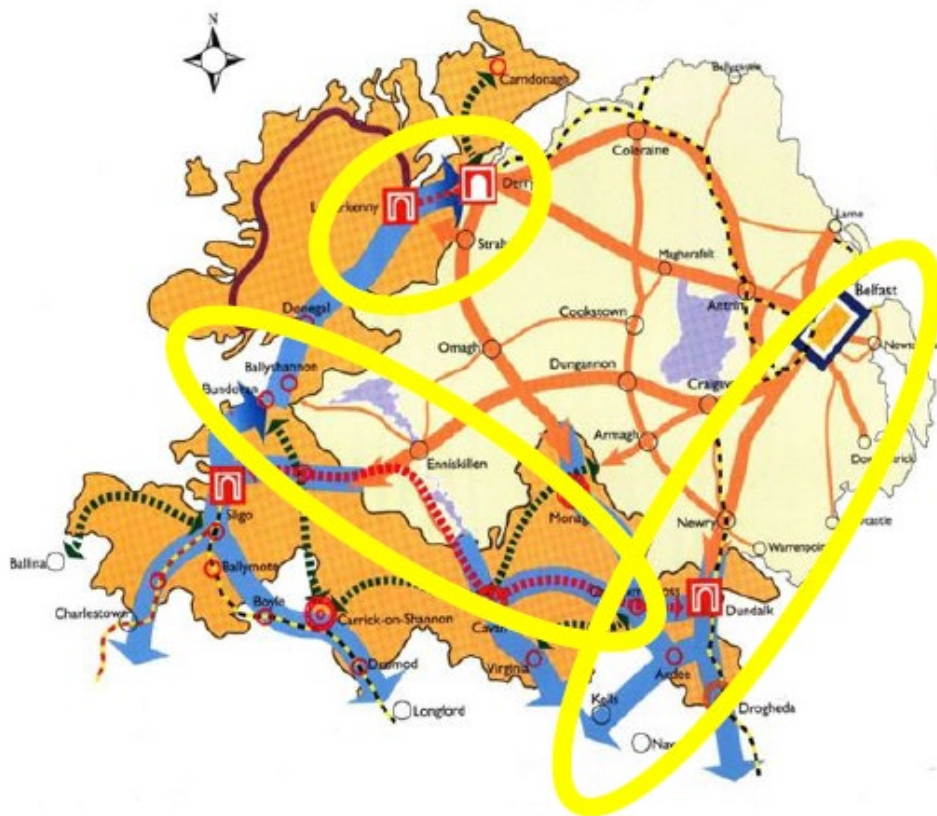
<sup>4</sup> <https://westerndevelopment.ie/>

<sup>5</sup> <https://udaras.ie/en/about/what-we-do/>

Council in Ireland and Fermanagh and Omagh District Council, Mid-Ulster District Council and Armagh Banbridge and Craigavon Borough Council in Northern Ireland); and

The East Border Region (6 member authorities – Louth County Council, Meath County Council and Monaghan County Council in Ireland, Newry Mourne and Down District Council, Armagh Banbridge and Craigavon Borough Council and Ards and North Down Borough Council in Northern Ireland).

**Map 4: The cross-border local authority-led sub-regions**



These are local authority-led cross-border networks borne out of a recognition that existing administrative structures do not reflect the 'lived' realities of the citizens of these local authority agglomerations, and of the communal social, economic and environmental assets shared on a functional territory basis. Established between the 1970s and early 1990s, they have provided a space not only for senior management but also elected members to discuss strategic policy issues. The three sub-regions are committed to practical cross-border cooperation at a sub-regional and/or functional territory level, much of which is made possible through INTERREG and Peace funding and is aimed at redressing decades of under-investment and back-to-back policy development in the Irish border region. Much of this activity falls outside of statutory regional policy but has proven to be symbiotic and synergistic. It was also at this sub-regional level that much of the initial analysis of the potential impacts of Brexit took place (see Chapter 4).

### 2.2.1. A divided island

The partition of Ireland in 1921, as laid out in the Government of Ireland Act 1920 and the resulting political struggle between Northern unionism and Irish nationalism, would translate into “a tale of unintended and unforeseen consequences” (Harvey et al, 2005: 12). For almost eighty years, there was limited engagement on strategic development matters across the jurisdictions. The Irish border region became, to all intents, “a contested border” (Coakley and O’Dowd, 2004), with the area becoming synonymous with socio-political conflict and tension (known across the island of Ireland as ‘The Troubles’) and socio-economic stagnation and decline (Creamer et al, 2010). The imposition of the 500km long border in 1921, together with customs barriers and price differentials from 1924 onwards, would result in border towns and villages in the South losing much of their trade to towns in the North (Harvey et al, 2005). These factors, together with the closure of cross-border rail connections and the Irish Republican Army (IRA) Border Campaign in the late 1950s, adversely affected cross-border interaction in economic, political and social terms. The onset of the ‘Troubles’ and ensuing road closures from the early 1970s onwards further inhibited the development of the Irish border region and Northern Ireland.

Set against this backdrop, Ireland between the 1930s and 1950s was dominated by protectionist policy, which included high tariffs and restrictions on imports and inward investment, and limited engagement with the world economy (Breen and Dorgan, 2013). While such policies cannot be wholly attributed to national decisions – but also, for example, the Great Depression and the Second World War – the Irish economy did nonetheless underperform over these formative years. This in turn led to notable inter-regional inequalities (Ó Gráda and O’Rourke, 2022). After a series of crisis centred on economic and political instability, and the emergence of new leadership (Breen and Dorgan, 2013), the 1960s would see the Irish Government begin to nurture links with the newly established European Economic Community (EEC) and place a strong emphasis on economic modernisation, not least with its closest trading partner, the UK

Ireland’s road to EEC membership would prove to be “lengthy and arduous” (Keogh, 2018, 216), with initial applications for EEC membership in 1961 and 1967 unsuccessful (as were the UK’s). Formal negotiations on a third application commenced in June 1970, coinciding with a destabilisation in relations between Ireland and Northern Ireland. As noted by the International Centre for Local and Regional Development (ICLRD) in their 2008 publication on the inter-relationships between border towns and villages,

“The Troubles, between the late 1960s and the early 1990s, deepened the physical, social and political divide between North and South. Areas along the Border suffered from military and paramilitary incursions and violent attacks on property, civilians and the security forces” (Creamer et al, 2008: 20).

An effective response to the resulting unbalanced development of the border regions by both policy-makers and local communities was hampered by weak institutional and governmental structures, a brain-drain driven by economic and education emigration, skills deficiencies and lack of investment monies (Breathnach, 2009; Bacsí and Kovacs, 2006). Accession to the EEC in 1973 would not see the other Irish regions fare much better in the immediate term with the oil crisis, soaring national debt and high interest rates leading to a prolonged recession. In saying that, membership of the EEC did cushion the regions against the impact of global recession. For example, while agricultural employment continued on its long-term downward trend, “the operation of the Common Agricultural Policy (CAP) contributed significantly to the welfare of those remaining on the land as well as those engaged in agri-business” (Barry, 2003, 8).



### 2.2.2. The impact of EU membership on cross-border regional development

Despite attempts – with small successes – by communities to overcome these barriers and initiate development, it is only since the mid-1990s with the commitment of EU policy and funding to tackle regional disadvantage and support cross-border cooperation, through initiatives such as INTERREG and Peace, and the signing of the Good Friday/Belfast Agreement in 1998 signalling the end of the Troubles, that both governments, together with local networks of stakeholders, have been in a position to (re)generate their local economies and kickstart a balanced development process.

This commitment to inter-regional/cross-border cooperation spans a wide range of sectors: energy, health, education, animal health, environmental protection and water management, agriculture and economic development and, more recently, spatial planning. At a cross-border level, much of this cooperation has grown out of grass-roots activity – driven by local government networks or multi-stakeholder platforms operating at a local or regional scale. For example, the aforementioned three sub-regional cross-border networks – East Border Region Ltd. (EBR), Irish Central Border Area Network Ltd. (ICBAN), and the North West Region Cross-Border Group (NWRCBG) – have been acknowledged with “making significant contributions to the increasing interactions between local government, the community and voluntary sector and the business sector in responding to the difficulties imposed by the Irish border” (Creamer and O’Keeffe, 2017, 3).

Managing development is not straight-forward, particularly as spatial dynamics often transcend administrative boundaries (Blair and Rafferty, 2017). Trans-frontier cooperation and co-ordination, according to Blair and Rafferty (2017), “can be challenging with regard to policy alignment, political agreement and common budget commitments” (p.6). The EU has, over the decades, proven itself to be an enabler of the necessary collaborative governance to make this happen. Regulatory alignment across Member states, for example, has led to a simplification in the co-design, delivery and administration of projects, and in particular the putting in place of cross-border/cross-boundary infrastructure. Regulatory alignment has also played a key role in removing obstacles to cooperation – whether legal, administrative, institutional, or economic. This has paved the way for standardised rules and regulations across Member States, and in the case of the island of Ireland, on both sides of the Irish border (Rafferty and Blair, 2018). Environmental cooperation on the island of Ireland, for example, is deeply embedded in the common frameworks of EU law and policy. As a result of Directives such as Habitats, Birds, Water Quality, and River Basin Management, the environmental laws and policies of both Ireland and the UK (including Northern Ireland) are governed by legal frameworks set at the EU level and, as noted by the environmental sector,

“working together within this common legislative and funding framework has been the major driver of environmental improvements on the island of Ireland, facilitating cross-border cooperation between both governmental and non-governmental organisation on a broad range of environmental issues” (Northern Ireland Environment Link & Environmental Pillar, 2017).

The challenges posed by Brexit and North/South divergence are explored in later chapters in this report.

## 2.3. Innovations in collaboration – addressing institutional barriers

While the EU is comprised of both internal and external border areas, a “border within the EU is not the same as outside, within Schengen or the Custom Union” (AEBR, 2018, 12). As noted by the Barca Report (2009) cooperation plays a key role in overcoming any institutional barriers and mobilising critical mass

to support economic, social and cultural exchanges and nurture new relations. Across the island of Ireland, different political, economic and social circumstances, together with a system where multiple agencies have a remit in such areas as regional and economic development, have necessitated a dedicated commitment to cross-agency cooperation.

At local government level, a number of models have been developed across Europe to enable and strengthen collaborative practice: from urban partnerships to European Groupings for Territorial Cooperation (EGTCs) to European Economic Interest Groupings (EEIG) to Euroregions to Memorandums of Understanding (MOUs). While the model of EGTCs have not yet gained traction across the island of Ireland, the EEIG instrument has a much longer history and has been used in Ireland and Northern Ireland on a number of occasions. Examples include the Strabane Lifford Development Commission established in 1993 and the European Regions Network of the Application of Communications Technology (ERNACT), involving Donegal County Council and Derry City Council (McClelland and Creamer, 2014). According to the Association of European Border Regions (AEBR), a large number of bilateral agreements have been concluded between regions within the European Union, with the majority of these being general framework agreements promoting cooperation in a broad range of fields (AEBR, 2001: 102). Such bilateral cooperation is usually “founded on simple written agreements between the partners consisting of memorandums, cooperation protocols and declarations of intent” (Driscoll and McClelland, 2010: 24). These are illustrated below with specific examples of bilateral collaboration, namely MOUs and partnerships.

### 2.3.1. Memorandums of Understanding

A Memorandum of Understanding (MOU), a legally non-binding statement of common intent between two or more parties, is arguably one of the most readily understood types of enabling agreement. They tend to identify a small number of areas in which cooperation and subsequent joint activity will be concentrated. These often reflect ongoing cooperation projects, the opportunities and responsibilities presented by the shared natural and heritage resources within the region, as well as the mutual desire to assist in the development of the regional economy. It could be argued that they build on the concept of “place-based services” which is particularly relevant to improving cross-border cooperation where service catchment areas are strongly influenced by functional relationships that often cross jurisdictional boundaries, for example retail, economic activities, housing, services, and environment (Barca, 2009). As bi-lateral agreements go, the MOU tends not to be overly onerous or unnecessarily complex. As detailed in research carried out for the Irish Department of Foreign Affairs, the purpose and objectives of such agreements are very clear in terms of (1) detailing the cooperative structure to be employed including the composition of any committees, their roles and responsibilities, etc.; (2) outlining the key themes under which collaboration will take place, and any specific tasks/projects under each theme; (3) providing an overview of the resources, financial and otherwise, that will be made available for sustained cooperation; (4) clarifying the communication channels to be operationalised between the parties, including responsibility for any secretariat functions; and (5) establishing procedures for its’ review, amendment and termination, as well as resolution provisions should disputes arise (Creamer and O’Keeffe, 2017).

What is thought to be the first MOU between local authorities from Ireland and Northern Ireland was signed in Brussels in March 2011 between Newry and Mourne District Council and Louth Local Authorities (see Box 1).

### **Box 1: Newry and Mourne District Council and Louth Local Authorities Memorandum of Understanding (MOU)**

In 2010, following a detailed review of options, Newry and Mourne District Council (NI) and Louth Local Authorities (IE) agreed on the adoption of a practical, ad-hoc agreement in the form of a bilateral, legally non-binding Memorandum of Understanding (MOU) to cement their long tradition of (mostly informal) cooperation. Specific to the needs of this cross-border region, the MOU encompasses the establishment of a number of cooperative structures including a joint Committee of Elected Members; a joint Senior Management Group; and an Advisory Forum. As required, a number of Project Teams would be established to advance particular projects or regional priorities. Secretariat support was originally provided by InterTradelreland, demonstrating the economic significance attached to this alliance. The agreed cooperation themes upon which the Strategic Alliance initially focused, and to which the Councils signed-up to in March 2011, were (a) emergency planning; (b) renewable energy and green technology; (c) tourism and recreation; and (d) sustainable economic growth and job creation. A number of other cross-cutting areas of cooperation were identified for development in the future. These included: coordinated/shared services; non-statutory spatial planning; pursuing linked-gateway status; developing a regional profile to enable evidence informed planning; and developing joint policies and action plans in areas of mutual interest to increase efficiencies in the delivery of services.

The adoption by the Councils of the MOU between their respective councils was viewed as a tangible representation of the close social, cultural and economic links within the region. Furthermore, the MOU was regarded as a tool to strengthen and deepen the already good working relationships that existed not only between the Councils but other key local and regional stakeholders such as InterTradelreland, and relevant Government Departments, North and South, including the Department for Environment, Community and Local Government (IE) and the Department for Regional Development (NI).

Other inter-regional and cross-border MOUs have followed. In 2013, the neighbouring Councils of Monaghan and Armagh City and District (spanning the Northern and Western Region and Northern Ireland) began work on the development of a MOU that would build on a relatively long history of cooperation spanning a number of sectors, including tourism and heritage, and environmental conservation. Similarly, the management of the Cuilcagh Lakelands Geopark (formerly known as the Marble Arch Caves Global Geopark) has resulted in a MOU being signed by Cavan County Council and Fermanagh and Omagh District Council<sup>6</sup>.

#### **2.3.2. Partnerships**

Across the island of Ireland, Partnership arrangements have tended to be formed around sectoral interests and/or areas of shared challenges, risks or opportunities (Creamer and O’Keeffe, 2017). This is best demonstrated by the Cross-Border Emergency Management Group (CBEMG) established in 2014 in response to increased frequency of flooding in the Irish border region. Geography is a common driver for cross-border cooperation on emergency planning, especially in locations where a neighbouring local authority can more readily fulfil an emergency service provision (Murphy et al, 2016). As practical experience demonstrates, the notion of proximity over jurisdiction, and the efficient use and pooling of often limited resources in tackling common challenges makes financial sense - an increasingly key impetus for collaboration among local authorities - particularly in sparsely-populated areas (Princen et al, 2014).

<sup>6</sup> This bi-lateral agreement also spans the Northern and Western Region and Northern Ireland.



In 2016 a Partnership arrangement was utilised by the North West City Region, a cross-border catchment of around 350,000 people representing the fourth largest urban agglomeration on the island of Ireland and the only one of such scale to experience an international border within its functional hinterland, to strengthen cross-border cooperation at both a national and central level (see Box 2). One of our interviewees (3) describes what is happening in the North West as “the pilot project for the island economy now”.

### **Box 2: Donegal County Council and Derry City and Strabane District Council Partnership Agreement**

Donegal County Council and Derry City and Strabane District have a long history of cooperation dating back to the 1970s and the formation of the North West Region Cross Border Group (NWRCBG). This shared space has enabled council officials and elected representatives to jointly engage in activities ranging from advocacy and lobbying around strategic regional priorities to securing EU funds for a broad range of priority initiatives. With the reform of local government in 2014, and a strengthening of local government function, there was a growing consensus around the need for a refreshed, singular and clear collaborative arrangement to be put in place. Following a detailed consultation process involving Council officials, elected representatives, and key Government Departments, North and South - and the International Centre for Local and Regional Development (ICLRD) as facilitators – new structures were adopted by both Councils and subsequently ratified by both Governments at a North South Ministerial Council (NSMC) Plenary Meeting in July 2016.

The new structures, as adopted, are Council-led and founded on a principle of partnership between local and central government; with a key dimension being the concept of place-making and place-based leadership. The structures are centred around an inter-jurisdictional North West Strategic Growth Partnership (NWSGP), with joint Council and joint Central Government membership at a senior/strategic level, underpinned by a strong cross-border joint Council North West Regional Development Group (NWRDG). External regional stakeholders are invited to participate in, and contribute to both the Partnership and Development Group as appropriate.

The Partnership is committed to advancing strategic growth agendas as they apply to (i) Regional Economic Growth and Investment, (ii) Regional Physical and Environmental Development, and (iii) Regional Social and Community Cohesion and Well-Being. The emphasis is on the strategic growth of the region to the benefit of the all-island economy; with unsurprisingly, Brexit being recognised as a challenge the region needs to build a resiliency around.

There are also examples of local authorities engaging in strategic collaboration through all-island partnerships; the most notable of which is the All-Island Local Authority Forum which is supported and facilitated by Co-operation Ireland (see Box 3).

**Box 3: All-Island Local Authority Forum**

Established in 2002, the All-Island Local Authority Forum is a strategic partnership comprising chief executives from the Society of Local Authority Chief Executives (SOLACE) in Northern Ireland and the County and City Management Association (CCMA) in the Republic of Ireland. It provides a platform for local authorities across the island of Ireland to network, communicate and collaborate for mutual benefit, all the time supporting the effective delivery of local government and delivering positive outcomes for communities and places. The work programme of the All-Island Local Authority Forum is funded on an annual basis by the Department for Communities (NI) and the Department for Housing, Local Government and Heritage (IE) upon submission of an annual work plan. Typical activities include conferences, study visits, training seminars and learning exchange events. In 2020, the Forum undertook a scoping study of emerging needs and opportunities for North-South cooperation in local government. This included mapping emerging barriers as a result of Brexit and the uncertainty over the future trajectory of the COVID-19 pandemic – and the overall implications of both for local government function and cooperation opportunities. Critically, this evolving context highlighted the importance of the ‘safe space’ the Forum creates for chief executives to (a) have open and frank conversations on current and emerging policy and practice, (b) enable a shared understanding of respective priorities and (c) encourage local authorities to broaden their horizons and look beyond their boundaries (Co-operation Ireland, 2020).

Together, these structures have proved critical in ensuring the voices of key regional stakeholders are heard in the design and implementation of policy – particularly in areas that impact on wider regional and/or local development but to which they do not have a formal remit or function in the policy-making and decision-making processes. These bodies are, over time, becoming important interlocutors with central government on the facilitation of thematic and institutional interjurisdictional and territorial cooperation between Ireland and Northern Ireland.

**2.4. The role of EU funding in all-island regional development**

Since 1988, when the current EU Cohesion Policy was introduced, it is widely recognised that it has played an influential role in achieving European economic integration particularly as it applies to the redress of regional/territorial and social disparities (Bachtler and Begg, 2017). During the 1980s, regional development and planning was largely delivered via projects – rather than any strategic vision. During the 1990s and 2000s, however, this would change with EU policy promoting the development of strategies for cities, sub-regions and regions (Albrechts et al, 2003). Utilising the potential of such strategies, particularly in a post-Troubles landscape, the island of Ireland would over the 1990s and 2000s slowly emerge as a coherent functional space with extensive effort committed to the development of shared cross-border spaces for cooperation at community, local authority, region and inter-jurisdictional levels (Coakley and O’Dowd, 2007; Blair et al, 2007; Walsh, 2015).

The period 2018-2020 witnessed a new hierarchy of national and regional planning and development strategies being adopted for Ireland, each on a statutory footing and with a dedicated funding arm, through the National Development Plan (NDP), in support of identified strategic priorities. The strategies bring forward priorities around the achievement of ‘compact growth’, the delivery of ‘liveable’, ‘green’, ‘innovative’, ‘creative’ places, the promotion of ‘health and well-being’ and ‘connected communities’ and the value-added of working with our neighbours - internal and external. Funding for delivery of these strategic goals will come from Exchequer, EU and other funding sources.

While the amount of money spent in Ireland and the UK through the European Structural and Investment Funds (ESIF) has declined in recent decades, EU programmes remain an important source of revenue for local authorities and other regional stakeholders.

#### 2.4.1. INTERREG funding and all-island regional development

EU funding and particularly the European Regional Development Fund (ERDF) and European Social Fund (ESF), have been vital for the social, cultural and economic development of the island of Ireland. Specifically, the INTERREG and Peace programmes have supported the development of Irish regions through improved opportunities for inter-regional and cross-border cooperation. Since 1995, the Peace programme is aimed at promoting peace and stability in Northern Ireland and the border regions of Ireland; with funding mainly targeted at cross-border projects designed to build good relations between communities<sup>77</sup>. The INTERREG programme provides EU wide funding for projects designed to overcome issues which arise from the existence of borders. Its aim is to jointly tackle common challenges and find shared solutions at a cross-border, transnational and inter-regional level in fields such as health, environment, research, education, transport, sustainable energy and other key priorities of the EU as they emerge. As noted in the Briefing Paper for the eighth meeting of the North/South Inter-Parliamentary Association (November 2016), the EU's Cohesion policy, and the INTERREG funding programme as a key policy instrument, is central to promoting prosperity and peace between member states; with the INTERREG Programmes for Northern Ireland and the border region of Ireland addressing the economic and social problems related to the existence of borders through the funding of strategic and sustainable cross-border cooperation initiatives. The North/South Inter-Parliamentary briefing Paper details how INTERREG A has brought approximately €1.13 billion to support cross-border and transnational cooperation in the Irish border region since 1991 (see Table 2).

**Table 2: Funding for Northern Ireland and the Border Region under the INTERREG A Programme**

	<b>Funding Period</b>	<b>EU Contribution (M)</b>	<b>National Contribution (€m)</b>	<b>Total Programme Value (€m)</b>
INTERREG IA	1991-1993	82.1 ECU	67.9	150
INTERREG IIA	1994-1999	159 ECU	103	262
INTERREG IIIA	2000-2006	137	46	183
INTERREG IVA	2007-2013	192	64	256
INTERREG VA	2014-2020	240	43	283

Source: SEUPB, Facts and Figures on EU Peace and INTERREG funding

<sup>77</sup> While PEACE I (1995-1999) and PEACE II (2000-2006) received funding from all the structural funds, PEACE III (2007-2013) and PEACE IV (2014-2020) were funded solely by the European Regional Development Fund (ERDF) (<https://www.europarl.europa.eu/factsheets/en/sheet/102/northern-ireland-peace-programme>).

This includes an INTERREG IVA investment of €256 million in cross-border initiatives (€192 million of which was contributed by the EU). More recently, €283 million (€240 million of which has been committed by the EU) has been earmarked for cross-border projects under INTERREG VA (2016, 40). It is of little surprise, therefore, that one interviewee acknowledged that INTERREG has been “fundamental to our work and long-term planning” (Interview 9).

In a paper considering the impacts of EU funding in the Irish border region between 1995 and 2020 by the Special EU Programmes Body (SEUPB), that included details on funding, programme measures and types of projects funded, it was noted that the INTERREG IVA programme funded a total of 88 projects which in turn led to 3,552 businesses being supported, 954 new jobs being created and 11,700 beneficiaries of health, rural development and tourism initiatives (North/South Inter-Parliamentary Association, 2016: 41).

While the INTERREG A programme has been critical to supporting programmes between Northern Ireland and the six border counties, the remaining INTERREG programmes have played a significant role in nurturing relationships between Northern Ireland and the other regions of Ireland. These include:

- INTERREG North West Europe;
- INTERREG Atlantic Area;
- INTERREG Europe; and
- Northern and Periphery and Arctic Programme

and, up until this new programming period, the INTERREG Ireland-Wales programme (see Table 3). With a strong focus on innovation, low carbon economies, resource efficiencies and natural and cultural heritage, these relationships have tended primarily to be based on local authority to local authority interactions as part of wider European partnerships - rather than region to region.

**Table 3: Overview of INTERREG Programmes involving Ireland, 2014-2020**

	<b>Total Budget (€m)</b>	<b>ERDF Contribution (€m)</b>	<b>Co-financing Rate</b>	<b>Priorities</b>
Atlantic Area	185	140	75%	<ol style="list-style-type: none"> <li>1. Innovation &amp; Competitiveness</li> <li>2. Resource Efficiency</li> <li>3. Territorial Risks</li> <li>4. Biodiversity, Natural and Cultural Assets</li> </ol>
Northern Periphery & Arctic	56	47	Between 50-65%	<ol style="list-style-type: none"> <li>1. Innovation</li> <li>2. Entrepreneurship</li> <li>3. Renewables and Energy Efficiency</li> <li>4. Natural and Cultural Heritage</li> </ol>
North West Europe	621	372	60%	<ol style="list-style-type: none"> <li>1. Innovation – Boosting knowledge flows</li> <li>2. Low Carbon Economies</li> </ol>

				3. Resource and Materials Efficiency
Interreg Europe	426	359	75-85% (depending if public or private entity)	<ol style="list-style-type: none"> <li>1. Research &amp; Innovation</li> <li>2. SME Competitiveness</li> <li>3. Low-Carbon Economy</li> <li>4. Environment and Resource Efficiency</li> </ol>
Ireland-Wales	99	79	Up to 80%	<ol style="list-style-type: none"> <li>1. Cross-Border Innovation</li> <li>2. Adaptation of the Irish Sea and Coastal Communities to Climate Change</li> <li>3. Cultural/Natural Resources and Heritage</li> </ol>

Source: Adapted from presentations to National INTERREG Information Day, Tullamore, 11 June 2015; organised by three Irish Regional Assemblies

Examples of the transformative impact of INTERREG Programmes on cross-border and inter-regional development are synthesised in Boxes 4 and 5 below.

#### **Box 4: Increasing Ecotourism Opportunities – The COOL Route Project**

The COOL Route Project – Cruising Oceans on Latitudes above 51 Degrees North - funded by the European Union's Northern Periphery and Arctic Programme between 2015 and 2018, for example, investigated the potential to establish a yacht cruising route along the western offshore areas of the Northern Periphery Area, stretching from County Cork in the South of Ireland, to the UK (Northern Ireland and Western Scotland) and onwards to the Faroe Islands and Norway. This ecotourism project has helped to develop marinas and pontoon facilities along the route, which led to an increased number of vessels sailing in the area. More visitors in these remote areas brought new business opportunities to local enterprises. Partners created a valuable network and established contacts in new regions, in addition to knowledge and experience exchange.

#### **Box 5: Nurturing Entrepreneurialism – The Creative Momentum Project**

The Creative Momentum Project, also funded by the Northern Periphery and Arctic Programme between 2015 and 2018, aimed to tackle the peripherality and distance to market challenges experienced by entrepreneurs in the creative and cultural industries across the Northern Periphery and Arctic area, as well as low economic diversity in these regions. Led by the Western Development Commission (WDC) based in the Northern and Western Regional Assembly Area, this resulted in collaboration with Armagh Banbridge and Craigavon Borough Council, leading to connections with like-minded entrepreneurs, knowledge exchange, and exploration of joint project ideas.

Importantly, the INTERREG Programmes have also played a key role in supporting East-West relations between Ireland and the UK. These have tended to involve the regional assemblies rather than local authorities. The Southern Regional Assembly, for example, is a partner to the COHES3ION Project, dedicated to the area of smart specialisation and regional innovation, funded through the Interreg

Europe Programme 2014-2020, and involving 10 partners from 8 European countries. The programme focused on increasing the impact of each partners smart specialisation strategy by working to align innovation policies from a macro to a micro regional level. This includes introducing a territorial dimension to smart specialisation which takes account of regional specificities and opportunities for regional clusters.

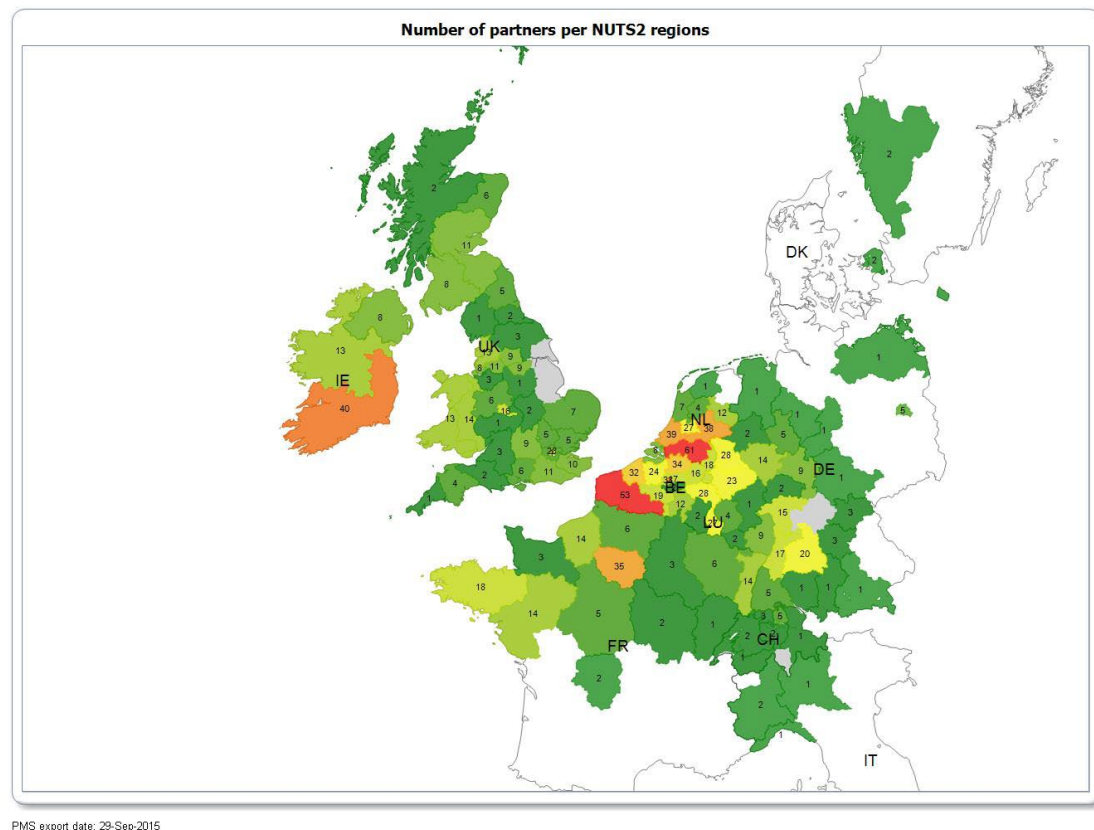
EU Funding programmes have also played a critical role in bringing strategic service providers together on shared regional priorities. INTERREG North West Europe for example has supported programmes looking at critical issues of energy, housing, mobility and health. Box 6 below provides a brief overview of a project not only involving local government but also national utility providers in meeting EU goals and ambitions through inter-regional, inter-agency and inter-scalar collaboration.

#### **Box 6: eHUBS – Smart Shared Green Mobility Hubs Project**

The eHUBS - Smart Shared Green Mobility Hubs Project (2019-2023) is working with utility providers such as Electricity Supply Board (ESB) Ireland and Transport for Greater Manchester to pilot suitably scaled e-mobility zones in support of transport transitions. Through eHUBS, dedicated on-street locations, citizens can choose from different sustainable electric transport options for shared use. This will represent a real alternative to the use of private cars as well as contributing to a reduction in CO2 emissions and improving quality of life. The ESB is now focused on renewable resources and e-mobility development as a part of the company's sustainability and innovation focus. As an example of ESB's proactive social position, it has now launched "ESB e-bikes" and "EVP2 pilot" on a community-based e-car club. At the same time, the city of Dublin is working with the Bee Network – a gamified solution promoting shared mobility and which offers a token return to the user. In Greater Manchester, the focus of the city is on integration of multimodal journeys – with a particular emphasis on e-cargo bikes and car club vehicles. As of October 2022, the City was reporting that users return to the e-shared mobility services in more than 80% of cases which, in turn, is stimulating the City to invest even more in eHUBS development.

Across the island of Ireland, stakeholders from a broad range of sectors but particularly local and regional governments have benefited significantly from the process of EU integration supported by the various EU funds. Map 5 provides an analysis of Irish regional participation in the INTERREG North West Europe programme, for the period 2007-2013, the last programming period for which there is a final implementation report. Together with the Single European Market, EU funding programmes such as INTERREG and their associated breadth of themes (as outlined above) and structures are proving critical to progressing shared priorities - often at a scale or pace that otherwise wouldn't be possible. The role of local and regional governments in delivering on these priority objectives shouldn't be underestimated in terms of knowing what needs to happen, where it needs to happen and when it needs to happen (O'Keeffe and Creamer, 2019).



**Map 5. Partners to the INTERREG North West Programme Per NUTS2 Region**

Source: INTERREG North West Europe

#### 2.4.2. Peace funding and cross-border regional development

The EU Programmes for Peace and Reconciliation (Peace I-IV), as noted in the Briefing Paper by the North/South Inter-Parliamentary Association, was developed in 1995 as a way to reinforce the formal progress towards peace on the island of Ireland. A unique territorial cohesion programme funded under Structural Funds (see Table 4), its overall aim was to 'reinforce progress towards a peaceful and stable society in Northern Ireland and the Border Region of Ireland' (2016, 41).

Initially, the Peace programmes in Northern Ireland and the Border Counties – the Special Support Programme for Peace and Reconciliation (Peace I) and the Programme for Peace and Reconciliation (Peace II) – were designed to complement the mainstream (political) efforts at peace-building (Buchanan, 2008, 387). Unlike the INTERREG programme which was geared more towards government and academia, the Peace Programme provided all levels of society, but particularly the community sector, with an unprecedented opportunity for meaningful involvement in the transformation of the Northern Ireland conflict (Buchanan, 2008, 387). The influence of the EU was particularly important in terms of programme design and implementation – drawing as it did from its experiences with INTERREG, LEADER and also the aforementioned International Fund for Ireland (IFI).

**Table 4: Funding for Northern Ireland and the Border Region under the EU Peace Programme**

	<b>Funding Period</b>	<b>EU Contribution (M)</b>	<b>National Contribution (€m)</b>	<b>Total Programme Value (€m)</b>
Peace I	1995-1999	500	167	667
Peace II	2000-2004	531	304	835
Peace II Ext.	2005-2006	78	82	160
Peace III	2007-2013	225	108	333
Peace IV	2014-2020	229	41	270

Source: SEUPB, Facts and Figures on EU Peace and INTERREG funding

From 1995 to the end of 2020, almost €2.3 billion has been allocated to the Peace Programme, funding 22,500 projects across the eligible area of Northern Ireland and the border counties of Ireland. Of this, €1.6 billion came from the European Commission, and the remaining €0.7 billion, from the government of Ireland and the Northern Ireland Executive. Overviews of its impacts to date, the Special EU Programmes Body highlights the Peace Programme's focus on:

- Improving cross-border public sector cooperation;
- Developing cross-border reconciliation and understanding; and
- Promoting joint approaches to social, education, training and human resource development.

Over 15,000 projects (out of over 31,000 applications) were funded under Peace I, ranging from cultural exchanges, community enterprise initiatives, mental health programmes, training and capacity building, environmental schemes, cross-community relations, homelessness, and development of community action plans and involving a diverse range of stakeholders from resource centres and youth groups to childcare networks and sports and leisure clubs and from enterprise centres to local festival groups. Critically, it was recognised that support for the peace process would weaken if 'quick-wins' were not tangibly recognised in the short term. As a result, Peace I "was spread as thinly and broadly as possible to show people that the commitment made by the EU and British and Irish governments meant that everyone involved was serious about peace"<sup>8</sup>. Projects were widely distributed geographically, with many communities benefitting from participation in PEACE I. It is estimated that projects funded reached over 868,000 participants. Small grants of £3,000 or less accounted for almost one-third of approvals - playing an important role in increasing access and broadening the spread of the Programme<sup>9</sup>. Oftentimes, funding under Peace facilitated community-based organisations to progress projects that the private sector was not willing to pursue. For example, the Belturbet Community Development Association (located in County Cavan) used Peace I monies to purchase

<sup>8</sup> <https://peaceplatform.seupb.eu/en/story-of-peace/peace-programmes/peace-i-overview/>

<sup>9</sup> <https://peaceplatform.seupb.eu/en/story-of-peace/peace-programmes/peace-i-overview/>



(using other funds also) the old Belturbet Railway Station site and begin to develop a tourist /commercial/ community facility there.

As the Peace programme evolved so too did its themes and the nature and scale of what it funded. In the SEUPB's paper considering the impacts of both the INTERREG and Peace programmes, it records some of the core outputs of the Peace III programme (2007-2014) including 6,999 people in receipt of trauma counselling, 117 jobs created/safeguarded through investment in shared public environments, the testing of 7 pilot projects of cross-border cooperation between public sector bodies aimed at increasing the capacity for a shared society and 27,383 people benefiting from shared services. These innovative service delivery models (at both the local and central level) directly addressed the issues of segregation, sectarianism and racism and focused on sectors such as education, community health, employability, environmental protection and sport (SEUPB, 2020: 3).

Under Peace IV, while community-based organisations were still successful in securing funds under the programme, so too were local authority and larger charities dedicated to cross-border and cross-community working. The Riverine Community Park project, for example, is a £7.5 million project led by Donegal County Council which aims to address the impact of the conflict in the twin-towns of Lifford (County Donegal) and Strabane (County Derry), and their hinterlands, by regenerating the border riverside area to create an iconic thirty-acre cross-border community park straddling the River Foyle. Both sides of the River Foyle will be connected by a new pedestrian and cycle bridge. As Peace IV moves to conclude in 2023, it is estimated that 94% of the programme's resources will have been utilised to support social inclusion, combating poverty and labour mobility.

### 2.4.3. Wider impact of funding

A core objective of EU funding has been to redress regional imbalances and provide additional supports to those areas whose development is lagging and/or declining, whether due, for example, to conflict or undergoing industrial transition. As Cohesion Policy adapts and evolves with the changing dynamics (and membership) of the EU, and in response to global challenges, it, importantly, still recognises that European regions are developing at different paces - and that funding programmes must be responsive to this. This is reflected also in the committed budgets to various programmes. For example, the INTERREG Programme budgets have risen significantly between INTERREG I (€1.1bn between 1990-1993) and INTERREG V (€10.bn between 2014-2020) (Miller et al, 2020).

Since first established, the INTERREG and Peace programmes have covered a broad suite of measures and themes. Targeted areas under the INTERREG programme have included integrated local development strategies, physical infrastructure and the environment, civic and community networking, innovation and competition in enterprise and business, sustainable transport, health and social care and protecting and restoring biodiversity. The Peace programme, with its stronger societal focus, includes programmes focusing on shared education, children and young people, shared spaces and services and building positive relations at local level. As a result, the programmes have greatly advanced not only the social, physical and economic development of Northern Ireland and the Irish border counties, through redressing decades of under-investment, but also the Peace Process by supporting the North-South institutes as established under the Good Friday/Belfast Agreement to advance their priorities and back communities in building positive relations on a cross-community and both intra- and inter-jurisdictional basis.

In addition, the EU has also politically and financially supported the work of the International Fund for Ireland (IFI), established in 1986 by the British and Irish Governments and with financial contributions also from the United States of America, Canada, Australia and New Zealand. Focusing its efforts in

Northern Ireland and the southern border counties of Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo, the fund aims to help tackle some of the most significant remaining challenges to lasting peace.

Undoubtedly, the UK's withdrawal from the EU will affect EU funding for cross-border programmes and projects across Northern Ireland and the Irish border region both in the short and long-term. This will have implications for not only North/South but also East/West relations. This will be considered further in Chapter 5.

## **2.5. Conclusion**

The deep economic, social and cultural links between Ireland and Northern Ireland, together with the very centralised nature of government, as outlined in this chapter, leaves Ireland particularly exposed to the disruption of Brexit. North-South political, legal and institutional ties, common approaches and mutually-beneficial collaborative frameworks have emerged and been consolidated over the past two decades against the backdrop of EU membership and with EU support - both tacit and explicit. Processes of European Integration are strongly associated with local-level inter-jurisdictional collaboration on the island of Ireland. With effective and statutory regional governance only still in its infancy in Ireland, and with Northern Ireland regional governance challenged by frequent collapses of the Northern Ireland Executive, local authorities have been among the foremost actors in harnessing the opportunities presented by growing policy alignment and EU funds and driving cross-boundary and cross-border collaboration, recognising the benefits that flow to them and to the people they serve.

### 3. THE LANDSCAPE OF REGIONAL DEVELOPMENT AND CROSS-BORDER COOPERATION ON THE ISLAND OF IRELAND

#### KEY FINDINGS

- Official and informal cross-border bodies and networks have been crucial to supporting inter-regional and cross-border development.
- Over the past two decades, outside of the 'formal delivery bodies', different structures and players have become involved in cross-border cooperation; this has been necessitated by the limited power-base, financial autonomy, policy-making and decision-making powers of local and regional government. The exact arrangements of these voluntary and adaptive structures is determined by local circumstances and/or sectoral need.
- These regional initiatives are essential in supporting decision-makers and communities like in ensuring a continued policy and regulatory alignment on transboundary issues.
- As multi-disciplinary networks or initiatives, working on an intra- or inter-jurisdictional basis, they are in a unique position to enable change.
- While local and regional authorities are important protagonists in cross-border collaboration on the island of Ireland, so too is civil society, academia and the business community.
- Inter-agency collaboration can yield dividends in respect of building trust and positive inter-community relations, enhancing infrastructure, improving services and delivering more integrated planning.

#### 3.1. The challenges of centralisation to regional and local development

As outlined in chapter 2, Ireland is one of the most centralised states in Europe, with decision-making powers and financial autonomy firmly in the hands of central government. More than 95% of tax revenues are raised by central government while some 93% of public spending is disbursed by central government. Reforms in recent decades lean towards a presumption that centralisation leads to more effective service delivery (Reidy, 2018b). The consequences of this for regional and local development manifest itself in clear patterns of imbalanced development across the country. With a weak mandate and very little discretionary spend power, neither local nor regional government have been in a position within the confines of their formal remits to redress these growing imbalances. This has led to the establishment of loose networks of committed regional stakeholders coming together to address these deficiencies in power and opportunity to influence agendas. Rather unusually, a significant number of these structures have the backing of central government, established as they were both directly and indirectly as part of the peace process. The effectiveness of such networks has become much greater in the past two decades following a switch at both EU and national level to the roll-out of place based policies – over what could previously be described as spatially-blind policy and practice.

### 3.2. The 1998 Agreement and cross-border institutions

The Good Friday/Belfast Agreement, resoundingly endorsed by referendum in 1998, is the overarching framework for an on-going peace process on the island of Ireland. As part of the Agreement, six North/South Implementation Bodies with cross-border executive functions were established, namely: Waterways Ireland, Food Safety Promotion Board (SafeFood), Special EU Programmes Body (SEUPB), North/South Language Body, InterTradelreland, and the Foyle Carlingford and Irish Lights Commission. Each operate on an all-island basis with clearly defined remits in the areas of water body management/environment, cultural heritage, EU funding administration, trade and enterprise and food safety, nutrition and healthy eating. The six bodies, in turn, receive direction from the North South Ministerial Council (NSMC), also established under the Good Friday/Belfast Agreement and whose core remit is to bring together the Northern Ireland Executive and the Irish Government “to develop consultation, cooperation and action within the island of Ireland”.

The Agreement provides for twelve areas of mutual benefit under the aegis of the NSMC through ‘Sectoral Meetings’. Six of these are advanced through the aforementioned North/South implementation bodies while the other six – in the areas of Education; Agriculture; Environment; Health; Transport and Tourism – are advanced by means of existing mechanisms in each jurisdiction separately, generally through appropriate Government Departments or Agencies. In each of these six areas of cooperation, common policies and approaches are agreed in the NSMC and implemented separately in each jurisdiction. Beyond these 12 areas covered by the NSMC, there are further areas of formal and agreed cross-border cooperation that have developed since the 1998 Agreement. These currently include energy; telecommunications and broadcasting; justice and security; higher and further education; arts, culture and sport; and inland fisheries.

Both prior to, and since the adoption of, the Good Friday/Belfast Agreement, other areas of cooperation have emerged which have been plugged by relevant stakeholders – usually at a local and/or regional level. Whilst these stand outside of the formal North/South structures, informal collaborations are not unusual. The following provides a snapshot of some of these ‘informal’ structures at play across Ireland’s regions. These play an effective role in advancing both governmental and sectoral priorities at a regional and local level - often in direct response to the local and/or regional authorities having no, or a very limited, formal remit in these areas.

### 3.3. Economy and trade

Since 2014, economic development is a core function of regional government in Ireland and local government in both Ireland and Northern Ireland. In addition, economy and trade and progressing regional and cross-border economic growth are primary goals of agencies such as the Industrial Development Agency (IDA) and Enterprise Ireland (Ireland) and Invest Northern Ireland and the Strategic Investment Board (SIB) (Northern Ireland) at national level, the Joint Business Council (see Box 7) at both national and regional level and organisations such as Chambers of Commerce and Local Enterprise Offices (LEOs) at local authority level. The regional development landscape of Ireland is also characterised by an additional tier of agency with well-defined regional and economic priorities for specific geographical areas, such as the Gaeltacht areas which are mainly dispersed along the Atlantic seaboard (see Box 8). While often these have an intra-jurisdictional focus, they are effective as boundary-spanners and building cross-border and/or all-island networks. Unsurprisingly, given this diversity of actors, economic development is today a key area of collaboration on an inter-regional and cross-border basis.

**Box 7: The Joint Business Council**

The foundation of the Joint Business Council (JBC) is the most significant example of private sector leadership in structuring cross-border business cooperation. It was formed in 1993 as a joint partnership between the Irish Business and Employers Confederation (IBEC) and the Confederation of British Industry (CBI). Since then the Council, as an ongoing structure with full-time resources, has pursued a number of avenues (business lobbying, providing new thinking on topics such as the Dublin-Belfast economic corridor, and direct support programmes to bring firms together on a cross-border basis). These are deliberately designed to encourage greater levels of economic interaction across the island on a non-political basis.

Today the JBC works to promote an optimal business environment on the island of Ireland and advance competitiveness for the benefit of both jurisdictions - North and South. It has become a single business voice for the island in policy formulation and the facilitation of business partnerships between SME's, North and South. It also plays a key-role in strengthening East-West linkages, including building economic and trade cooperation with Scotland.

Recognising the array of economic headwinds, in addition to Brexit, facing the island of Ireland economy in the short to medium term, the JBC's priorities for 2023 include a focus on productivity, skills and energy decarbonisation. This necessitates working with a diverse range of collaborators – from funding agencies such as the Special EU Programmes Body (SEUPB) to North/South bodies such as InterTradelreland (ITI) and the North South Ministerial Council (NSMC) to research and advocacy bodies such as the Centre for Cross Border Studies (CCBS) and local authority networks such as East Border Region Ltd. (EBR). This approach to engagement and collaboration is building more dynamic, competitive and regional economies and playing a significant role in redressing decades of institutional complacency and silo-based working.

**Box 8: Údarás na Gaeltachta**

One of the most exciting and innovative examples of regional development in Ireland today is Údarás na Gaeltachta. Established in 1980, it is the regional authority responsible for the economic, social and cultural development of the Gaeltacht (Irish language-speaking) areas in Ireland. The Gaeltacht areas can mainly be characterised as predominantly rural districts and off-shore islands, for the most part located on the Southern and the Atlantic coast. Yet, while remote and marginalised in terms of economic development and service provision, these areas are home to an abundant and biodiverse terrestrial and marine landscape (Údarás na Gaeltachta, 2017). The overall objective of Údarás na Gaeltachta is to ensure that Irish remains the main communal language of the Gaeltacht. Acknowledging the inter-relationship between economic and social objectives to the overall viability and sustainability of Gaeltacht areas, Údarás has been supporting a wide range of social enterprises in sectors such as tourism and renewable energy, as well as supporting businesses in developing new markets, jobs and strategic alliances. Under its current strategic plan (2021-2025), identified growth sectors include the blue economy, the digital economy and the social economy; with specific actions targeted towards the medical and biomedical sectors, the creatives, tourism and food and drink. For further details on the current strategic plan, see <https://udaras.ie/assets/uploads/2019/10/Plean-Straithe%CC%81iseach-U%CC%81dara%CC%81s-na-Gaeltachta-2021-2025.pdf>

Individually and collectively, these agencies have had significant implications for regional development in terms of the emergence of industrial clusters and the promotion of smart

specialisation, as well as on the fortunes of towns and villages struggling with the loss of traditional industry and manufacturing during the 1980s and 1990s.

As noted in chapter 2, the economy was a key area negatively impacted upon by The Troubles and was a designated area for investment in the first INTERREG and Peace programmes and the wider peace process. Since its establishment under the Good Friday/Belfast Agreement, InterTradeIreland has been helping small businesses on an inter-regional and cross-border basis to explore new cross-border markets, develop new products, processes and services and become investor ready for over two decades. Its range of supports to small and medium-sized enterprises (SMEs), which form a significant base of the all-island economy, following the Peace Process has been critical to the growth and diversification of the economy of the border region, and the building of business networks and supply chains across the island of Ireland. This has been facilitated by an open and soft border that is vital to business and business supply chains.

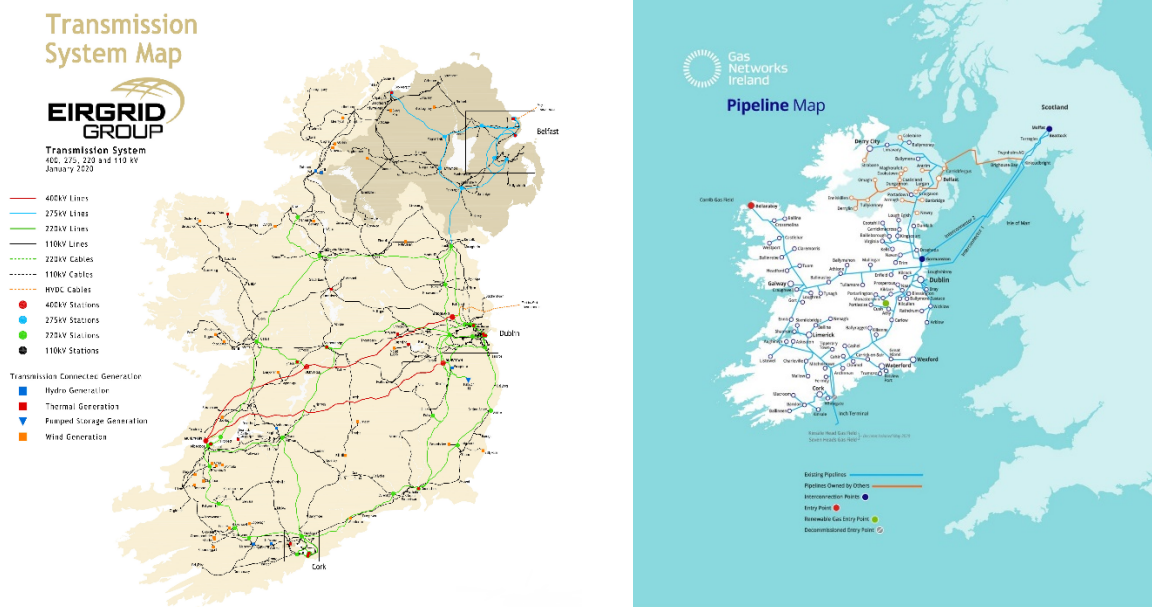
The open border has also given rise to significant cross-border flows of people in recent decades – for work, education, service access and leisure and recreation. Cross-border working is a reality of life along the Irish border. It has been estimated that over 30,000 people traverse the Irish border daily for the purposes of work alone (NIAC, 2018) - with over 100,000 making daily crossings (Magennis, 2018).). In the North West, despite the infrastructural deficits, figures gathered by the Department for Regional Development (DRD) in 2015 record a total of 326,577 journeys per week across three major crossings, namely Derry/Bridgend, Muff Village to Derry and Strabane/Lifford (UUEPC, 2017a). This averages 40,600 journeys per week across these three main access routes. In some border communities – Muff, Killea (County Donegal) – it is estimated that almost 50% of the population are commuting to Derry (Gallagher, 2017).



### 3.4. Energy

While not a core function of either regional or local government, access to a viable and sustainable energy source is critical to regional development and economic investment. The following maps highlight the current regional disparities in connectivity in electricity grids and gas on the island of Ireland, and where future investment is required in infrastructure to achieve balanced development.

**Map 6. The transmission system map for the Island of Ireland, 2020 (left) and Gas Networks Ireland pipeline map (right)**



Source: Map of the left: <https://www.eirgridgroup.com/site-files/library/EirGrid/EirGrid-Group-Transmission-Map-January-2020.pdf>; Map of the right: <https://www.gasnetworks.ie/corporate/company/our-network/pipeline-map/>

The all-island Single Electricity Market (SEM), established in 2007, is a key foundation of inter-regional and cross-border economic, infrastructure, and policy cooperation. Jointly regulated by the Utility Regulator for Northern Ireland and the Commission for Energy Regulation (CER) in the Republic of Ireland, the operation of this single wholesale market requires the physical connection of the Northern Ireland grid to that in Ireland. As a result of this physical connectedness, together with a shared energy import market, ongoing energy security for both Ireland and the UK remains deeply linked – as does its ability to diversify. Local government plays a key role in this diversification agenda, not least given their development management role. Indeed, Northern Ireland’s unique position is finding itself within an all-island electricity market, and associated EU regulatory and state aid framework, while also sitting within a UK framework for many other key elements of energy and climate policy.

Outside of its formal development management role, there are growing instances at a regional level of where local authorities are coming together to form regional energy agencies that will work with all energy users to support their transition to clean energies as well as their more rational use of energy. The South East Energy Agency, involving Carlow, Kilkenny, Wexford and Waterford local authorities, as well as other regional stakeholders, is contributing to removing 12,000,000 tonnes of CO<sub>2</sub> in the South

East region by 2030. The South East Energy Agency works locally and regionally as a trusted intermediary to support the actions on the ground that contribute to the larger goals of Ireland's Climate Action Plan. Supporting all stakeholders on their energy transition journey to 2030 and beyond, its vision is for the region to become a leader in sustainable efficient use of locally produced clean energy delivering low-carbon homes, jobs and enterprise. Their success in reaching 2030 targets will depend on how they and others work together to deliver energy efficiency, clean energy, behavioural change, and greater sustainability.

Given the scale of the energy supply issues, the transition required, the emissions and decarbonisation targets to be reached, and the current cost of living crisis, such regional initiatives will become more important in supporting policy-makers and communities alike on the difficult road ahead, and in a multi-sectoral and cross-boundary/border context, ensuring a convergence in approach.

### 3.5. Environment

Despite the acceptance on a policy level that the island of Ireland is one single bio-geographic unit, cooperation on shared environmental challenges between governments North and South, including at local government level, has been limited and somewhat ad-hoc; resulting in the two jurisdictions having “developed (with some exceptions) almost completely segregated environmental governance structures, legal and policy frameworks, and implementation processes” (Brennan et al, 2023, 7). These pre-Brexit environmental divergences became increasingly clear as the salience of environmental challenges increased. They were occasionally vividly highlighted by examples of “environmental dumping” on both sides of the border, driven by cost and regulatory divergences.

“in the early 2000s when you start having big divergences and waste rules and that kind of drove a lot of waste crime with lots of waste from Ireland being buried illegally in the north. So you've had that kind of. We, you know, you have already, like, experience of, of environmental crime and that kind of risk” (Interview 2).

The role of the EU in underpinning environmental policy and regulation as it applies to both Ireland and the UK cannot be underestimated. This has been critical given the limited role of local government in environmental protection (over management and conservation for example); with core activities including the issuing of licences and undertaking Strategic Environmental Assessments (SEAs) and Appropriate Assessments (AAs) with regards to certain proposed developments and initial investigations and, where possible, redress of coastal erosion and localised flooding issues. At the EU level, directives of particular importance included air and water quality, birds and habitats, waste management and maritime planning, but also EU frameworks focused on “cross-border planning initiatives and the cross-community coordination and collection of spatial data” (RTPI, 2019).

The large array of environmental law and directives, underpinned by the Court of Justice of the European Union (CJEU) and the supremacy of EU law, was undoubtedly powerful in driving up cross-border environmental standards. The Ireland/Northern Ireland context of the institutions and culture of the Good Friday/Belfast Agreement further enhanced these commonalities – not least through the development of North-South implementation bodies such as Waterways Ireland and governmental coordination and consideration of environmental issues through the North South Ministerial Council (NSMC).

The limited role of local government has resulted in innovative ways being found to both feed into and inform policy at a local and regional level. At a more ‘informal level’, networks have been established around coastal zone management and biodiversity and ecological issues such as the All-Ireland



Pollinator Plan and the All-Island Climate and Biodiversity Research Network (see Box 9), and these are becoming central players in driving forward local solutions to global challenges. This is particularly important as evidence would suggest, based on emerging strategies and their associated action points, that local authorities in particular will play a greater role in climate adaptation and addressing biodiversity loss.

#### **Box 9: The All-Island Climate and Biodiversity Research Network**

The All-Island Climate and Biodiversity Research Network was established in 2019 to address research questions that cannot be answered individually by existing research centres or groups. Recognising that the climate and biodiversity emergency is a massively complicated challenge that requires an unprecedented diverse, yet integrated, range of solutions from all sectors of society, it brings together researchers from a wide range of disciplines across the island of Ireland, including physical, natural and social sciences, engineering and humanities, who are undertaking research in climate and biodiversity topics. Its ambition is to develop a large-scale research and innovation initiative to improve public policy and management decisions, underpin business and enterprise strategies, and strengthen societal capacity to address the climate and biodiversity emergencies. Those involved contend that co-creation of research with decision makers, citizens, communities and business can deliver economic activity and jobs, increase public literacy on climate and biodiversity as well as societal engagement on climate change and biodiversity and also improve quality of life for citizens. While the Network has been developed by an initial core group of researchers from across institutions, North and South, it is intended to be inclusive in nature and substantial efforts to expand membership are underway and planned to continue into the future. This includes building partnerships with government, industry and society.

### **3.6. Transport**

Transport infrastructure, whether road or rail, is critical to building a strong economy. Again, as outlined in Section 2.1.1, the role of local and regional government in transport is limited to improving and maintaining regional and local roads. Yet, connectivity and access are critical to regional and economic development. The regions on the island of Ireland have not all benefited equally from investment in transport infrastructure - as demonstrated by a series of maps produced by IBEC-CBI in 2010 (see Maps 7-8). While there have been some developments in the intervening period, the picture largely remains the same - with the North-West region and Northern Ireland particularly disadvantaged by the emerging picture.

National and regional policy since the early 2000s and the publication of the first National Spatial Strategy for Ireland has been clear on the need for capital investment in transport infrastructure projects – in particular road and rail – in order to untap both regional and cross-border economic potential and provide viable alternatives to investment in the Greater Dublin region. These policies were, and continue to be, supported by a capital investments package detailed in the National Development Plan (NDP). Indeed, various agreements throughout the 2000s which were introduced by both the UK and Irish governments to stabilise the devolved power-sharing arrangements in Northern Ireland (Stormont House 2014, Fresh Start 2015, New Decade New Approach (NDNA) 2020) have also placed a strong emphasis on addressing infrastructural, including transport and waterways, deficits. Increasingly, a greater emphasis is being placed on active travel and greenway development, including on a cross-border basis.

**Map 7. The railway network on the island of Ireland c.1920 (left) and today (right)**



Source: IBEC-CBI, 2016

**Map 8. Early turnpike routes (1729-1739) (left) and the motorway system on the island of Ireland (2015) (right)**

Figure 2: Early turnpike routes  
(1729-1739)

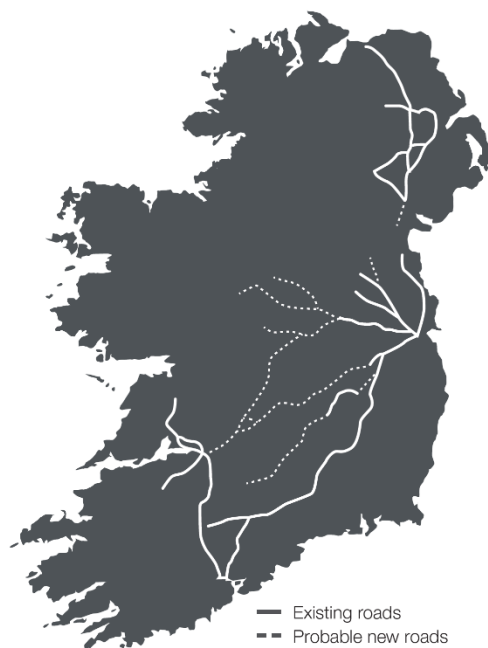


Figure 3: Current motorway network  
(2015)



Placement and category of roads for illustrative purposes only.  
Data source: CSO, NISRA.

Source, IBEC-CBI, 2016

Across the island of Ireland, greenways are increasingly recognised as having the potential to be transformative in rural and regional development terms - as a contributor to the economy, as a tourism product, as an amenity for physical activity and as a contributor to overall health and wellbeing (Department of Transport, Tourism and Sport, 2018). Investment in greenways has also been highlighted by both the Irish and UK Government in the New Decade New Approach Agreement (NDNA) as contributing to the all-island economy, to delivering on sustainable transport objectives and offering the potential to support small-scale industry in rural areas, North and South. These opportunities have been widely recognised at both local and regional level, with a number of greenway projects now being advanced by local authorities, networks of local authorities (see Box 10) and communities.

### **Box 10: Greenways as a Catalyst Project for the Central Border Area**

Reacting to the signal of both governments – via government strategy and NDNA – of planned future investment in greenways, specifically the Sligo-Enniskillen Greenway (subject to feasibility), the Irish Central Border Area Network (ICBAN) included the development of green/blue infrastructure as a catalyst project in its Framework for Regional Priorities 2021-2017. As a cross-border network of eight local authorities (see Section 2.2), ICBAN recognised that investment in this Greenway, as part of a wider vision for a regional greenway network, had the potential to be a catalyst for sustainable regional growth and development.

The Sligo-Enniskillen Greenway centres on 72km of the old Sligo, Leitrim and Northern Counties railway. Envisaged as a multi-use trail for cyclists, walkers and the mobility challenged, the project is currently costed in the region of £11million. In July 2020, the Irish Government announced €500,000 funding to take a section of the greenway, Sligo Town to Blacklion, to statutory process.

On its own, the Sligo-Enniskillen Greenway has the potential to be a positive sub-regional catalyst project. The benefit to the wider central border region comes from building an inter-connected network of greenways across the wider region; and working to connect what could otherwise be considered 'piece-meal' initiatives.

At an inter-regional and cross-border level, a critical body in advancing the infrastructure agenda in its broadest sense is the NSMC through its Transport Sectoral meetings. This brings together relevant Departments and state agencies, North and South, to advance shared agendas, particularly as they relate to strategic transport planning including road and rail infrastructure and public transport services and road and rail safety. Under the heading of 'strategic transport planning', the core focus of these meetings include reviewing and updating of transport policy for the island of Ireland, taking account of the requirements of the Trans-European Network and covering the national road network, the mainline rail network, cross-border bus services, sustainable transport management, co-ordination of transport aspects of EU cross-border programmes and development of plans for specific cross-border projects. It was under the auspices of this Sectoral Committee, for example, that the all-island Strategic Rail Review was jointly launched by Ministers Ryan (IE) and Mallon (NI) on 7 April 2021.

While positive announcements were made in 2022 regarding the Ulster Canal and Narrow Water Bridge, and the strategic all-island rail review is due to table its initial findings in Qtr. 1, 2023, accessibility to the North West region - via road, rail or air - has not yet progressed to the extent envisaged. Strengthening the connectivity and accessibility of the region does not come without its challenges, particularly in terms of building an integrated transport network across regions that are

largely rural and reconciling the decades-long need for these investments against their environmental costs in a time of climate crisis. All regions across the island are hopeful of attracting national, cross-border, or EU funding in support of new transport infrastructure, as a key plank of their strategic plans for economic development and environmental change. Such aspirations are, however, competing with budgetary pressures on governments, the wider context of post-pandemic economic uncertainties, and the volatility in fuel costs affecting providers and consumers alike.

### **3.7. Education**

Education – including higher education – was formally recognised as an area of EU competency in the Maastricht Treaty of 1992. However, as noted in chapter 2, the role of local government in further and adult education was significantly diminished in 2013. Yet, while recognising the importance of education to inward investment, local employment and wider resilience and sustainability agendas, local government is finding new pathways into how it can inform and influence R&D and skills development. In 2018, for example, the four higher and further education bodies in the North West City Region of Ireland, supported by the two local authorities (Donegal County Council and Derry City and Strabane District Council) established the North West Strategic Education Alliance and signed a MOU committing them to the first stage in formalising the necessary cooperation to enable effective and sustainable collaborations in tertiary education. This includes in such areas as addressing the challenges and opportunities of third level provision, tackling generational social and economic justice issues across the region, and developing pathways of progression in education and skills training which are crucial for the growth of the regional economy. This builds on on-going commitments by both the Irish and UK governments under the NDNA Agreement, to “expand university provision at Magee in line with commitments made by the previous Executive, including through the establishment of a Graduate Entry Medical School” - with the Irish Government in principle committing to capital investment to support expanded provision at Ulster University’s (UU) Magee Campus in Derry.

It is also worth noting that the Higher and Further Education sectors have a long history of all-island and cross-border cooperation. This takes the shape of both formally established joint centres of research and training to more informal collaborations on funded projects and/or stand alone research programmes. Universities Ireland (UI), for example, was founded in 2003 by the nine university presidents on the island of Ireland to promote and develop cooperation between their institutions (with the Open University in Ireland becoming its 10th member in 2011 and Technological University Dublin joining in 2020). The Centre for Cross Border Studies, which provides the secretariat to UI, originated in 1999 as a university partnership involving Queens University Belfast (QUB) and Dublin City University (DCU) to promote and support cooperation across the Ireland-Northern Ireland border as part of the ongoing peace and reconciliation process. Similarly, the International Centre for Local and Regional Development (ICLRD), established in 2006, is a North-South University partnership involving Maynooth University and Ulster University (UU) - as well as a U.S. based partner, the University of Maryland – to work primarily with local and regional government in strengthening the role of spatial planning and regional development in building peace and reconciliation.

### **3.8. Health and Emergency Management**

Reciprocal healthcare arrangements on the island of Ireland date back to agreements reached before Ireland and the UK joined the EU. While increasingly these are underpinned by EU legislation, many of these arrangements exist on the basis of bi-lateral agreements and cover a wide range of services,

including emergency care, travelling from one jurisdiction to another to access health services, the provision of direct services, and cooperation on new initiatives. Such agreements include bilateral cooperation under the Common Travel Agreement (CTA), and Strand Two of the 1998 Good Friday/Belfast Agreement. Indeed, cross-border healthcare would be considered one of the key success stories emanating from the peace process. Co-operation and Working Together (CAWT) (see Box 11 below) noted in a submission to the House of Lords Select Committee on reciprocal healthcare that there were probably “as many people availing themselves of directly agreed services (i.e. bilateral arrangements) as used EU reciprocal healthcare schemes such as EHIC, S1, S2 and the Patients’ Rights Directive”. EU Funding has been critical in supporting delivery of services in acute, primary care, emergency and mental health services on a cross-border basis; services often dependent on a population critical mass which these collaborative arrangements provide. Examples include:

- All-Island Paediatric Cardiology services;
- North West Cancer Centre, Altnagelvin Hospital, Derry; and
- Cross-border Percutaneous Coronary Intervention Services.

#### **Box 10: Co-operation and Working Together (CAWT)**

Cooperation And Working Together (CAWT) is a partnership between the Health and Social Care Services in Northern Ireland and Republic of Ireland, which facilitates cross border collaborative working in health and social care. The CAWT partnership has been in existence since 1992 with the signing of the Ballyconnell Agreement. CAWT seeks to add value to health and social care activity by bringing a cross border dimension to the on-going collaboration between the health systems in both jurisdictions, and accessing EU funding in support of such activities where appropriate (<https://cawt.hscni.net/>). According to the Border Focal Point Network, CAWT now embraces 11 counties in the Republic of Ireland (6) and Northern Ireland (5) and represents a total population of over 1.26 million. This equated to 21% of the island’s population and some 25% of the land area. The work of CAWT is mostly project-focused and fits into the broader peace and reconciliation agenda of both governments, as well as of the European Union, which has helped citizens overcome barriers to health and social care in border areas. Having access to a large cross-border catchment of patients and being in a position to share facilities has, for example, proved advantageous as it makes provision of specialist medical services financially viable and enables more services to be accessed locally. Since 2000, the work of CAWT has been enhanced by the existence of the Interreg Ireland-Northern Ireland-Scotland Programme; it is estimated that the European Regional Development Fund (ERDF), along with national contributions, has been an important source of financing for the improvement of the well-being of the border population. Over the last 30 years, more than 50 cross-border projects have been implemented with EU funding and others have been commissioned by both Departments of Health (including cross-border emergency planning, ENT services and radiotherapy).

As noted in regional policy in Ireland, access to quality healthcare is a fundamental indicator that impacts on regional quality of life and successful communities (Northern and Western Regional Assembly, 2020). This is particularly relevant for regions and countries - like Ireland - where the population demographic is ageing. Importantly, regional policy is also moving beyond equating quality of life with healthcare services - recognising that quality of life and well-being is also influenced by such factors as housing, natural environment, modal shift, air quality, access to amenities, etc. And it is in these areas where local and regional government make a significant contribution to overall



health and well-being, particularly in the last decade since the core function of local government on the regional health boards was terminated.

The aforementioned CAWT was also critical to the establishment of the Cross Border Emergency Management Group (CBEMG), as referenced in section 2.3.2. This is a multi-agency platform based on equal representation from key government agencies in Ireland and Northern Ireland. Its membership includes ten representatives from the Southern and Western Emergency Preparedness Groups in Northern Ireland, and a further ten representatives from the North West and North East Major Emergency Management Regional Working Groups in Ireland. In addition, nominated representatives from identified key stakeholder agencies such as relevant Government Departments are invited to attend meetings. This represents a formalisation of the long tradition of emergency services supporting each other on a case-by-case (or emergency-by-emergency) basis – largely based on proximity and response times – and involving local government, fire and ambulance services and police. The CBEMG operates to a three-year strategy which articulates a number of strategic priorities concerning the internal functioning of the group, the implementation of cross-border emergency management arrangements, enhanced training and information sharing, and the principle of continuous improvement.

### **3.9. Tourism and Culture**

The local government sector has traditionally played an important role in supporting tourism – through the provision of infrastructure, the development of tourist attractions, support for festivals and cultural events, and the implementation of tourist promotion plans (LGMA, 2017). Tourism is recognised as an important driver of local, regional and national economies, and following the 2014 local government reforms and the heightened role placed on local government in economic development, the development of tourism and culture has reached new significance at both an intra- and inter-county level.

“In March 2017 each local authority launched the Tourism Strategy Statements and Workplans. These are aligned with the objectives of the LECPs. The Tourism Strategy Statements and Workplans are aligned with local, regional and national strategies and plans, in particular the Regional Action Plans for Jobs and the Government’s tourism policy, ‘People, Place and Policy: Growing Tourism to 2025’” (LGMA, 2017, 3).

In addition to working with national and regional tourism agencies such as Fáilte Ireland and Tourism Ireland, local authorities also play a pivotal collaborative role that supports local communities and businesses to harnesses the tourism potential of their areas. As regional branding becomes increasingly important, there is a greater onus on local authorities to collaborate in the development of their tourism offerings to maximise benefit to the region – rather than only the county (see Map 9).

**Map 9. Ireland's regional experience brands as developed by Fáilte Ireland**

Source: Fáilte Ireland

### 3.10. Conclusion

Across the island of Ireland, there is a strong resolve at local and regional level to progress regional development agendas - those specific to certain territories and those more global in nature but requiring a local response. While the previous chapter highlighted the key role of local authorities as important protagonists in cross-border collaboration on the island of Ireland - with inter-local authority collaboration yielding dividends in respect of enhanced infrastructure, improved services and more integrated planning - this section stresses the role played by civil society, academia and industry in tackling disparities and uncertainties. This is not to diminish the significant role of either the EU or indeed existing national and regional architecture. Rather it should be seen as complementary as often these networks/initiatives have a greater 'freedom' in their operations and should be viewed as a valuable addition to the landscape at local and regional level. Where such initiatives or networks arise in response to a particular challenge, they more often than not pivot to focus on potential and opportunity.

In a post-Brexit landscape there are on-going concerns that the benefits of such architecture will be diluted if not lost entirely, that the competitiveness of the regions will be weakened and that environmental quality will be reduced. This will be explored further in the following chapters.

## 4. THE CHALLENGES POSED BY BREXIT FOR REGIONAL DEVELOPMENT AND CROSS-BORDER COOPERATION

### KEY FINDINGS

- Decades of EU membership and associated supports, together with the commitment to rebuilding a collaborative governance architecture following the Good Friday/ Belfast Agreement, has resulted in the creation of functional spaces and cooperative instruments across the island of Ireland.
- The Irish government was very quickly considering the impact of Brexit through its regional development strategies.
- It is clear from various research and analysis conducted on the impact of Brexit that an extensive range of sectors, issues and themes involving local and regional government across both jurisdictions will be impacted by Brexit.
- While the island of Ireland has benefited significantly from EU membership and associated supports, not least funding, it continues to lag behind. This is particularly true for the Irish border region.
- Governance can be complicated by borders. Importantly, both the EU and the UK have recognised the importance of the cross-border dimensions of the Good Friday/Belfast Agreement and the challenges posed to cross-border cooperation by Brexit from the outset of discussions,
- There continue to be unknowns and risks associated with Brexit. This does leave some sectors in limbo where a lag in planning capabilities as a result of the uncertainty that has surrounded the EU-UK relationship since 2017 will have long-term consequences.

### 4.1. The challenges identified by local and regional authorities on the island of Ireland

Given the strength of social and economic ties and shared environmental assets, and the emergence of cross-boundary functional territories, there was a broad understanding across all scales of government, the private sector and communities that a vote for Brexit would have significant implications for the island of Ireland in terms of regional and cross-border cooperation. As outlined in chapter 3, over the past thirty years and, in particular since the signing of the Good Friday/Belfast Agreement, the economies of both jurisdictions together with the provision of specialised health care and tourism initiatives and the adoption of environmental standards had become deeply inter-connected and mutually supportive. Following the referendum result, there was an immediate commitment by the Irish Government in particular to better understand the potential implications of this decision – in societal, economic, environmental and governance terms.

#### 4.1.1. The Known 'Knowns'

The economic base of Northern Ireland and the Irish border counties is largely constituted by small firms. For these firms, cross-border trade can account for between a sixth (in the case of small Irish firms)



and up to two thirds (in the case of Northern Ireland) of their total export sales (Hayward and Magennis, 2014). According to Copenhagen Economics, in research conducted for the Irish Department for Business, Enterprise and Innovation (DBEI), cross-border trade between Northern Ireland and Ireland has grown steadily over the past two decades. For example, 15 per cent of Irish goods and services exports are destined to the UK; while in some sectors – such as agri-food – this figure can be as high as 40% (Durrant and Stojanovic, 2018). It is estimated that 500,000 lambs are transported from Northern Ireland to Ireland for processing; traditionally, 75% of the pigs produced on this island have been slaughtered in Northern Ireland; and over 75% of the milk processing capacity in Northern Ireland is owned by Southern-based co-ops. Regarding access to employment, individuals and businesses on both sides of the border benefit from access to a labour market spanning both jurisdictions (NIAC, 2018). Derry City and Strabane District Council estimates, for example, that over one-third of its workforce lives in County Donegal (Gallagher, 2017). As noted in chapter 3 (section 3.9), tourism is a key economic sector for both Ireland and Northern Ireland. Pre-Brexit, it was estimated that over 70% of international tourists to Northern Ireland enter via Ireland. Undoubtedly, the impact of Brexit has the potential to be significant on many key sectors of employment and trade.

#### 4.1.2. The implications for regional development

As outlined in chapter 2, decades of EU membership and associated supports, together with the commitment to rebuilding a collaborative governance architecture following the Good Friday/Belfast Agreement, resulted in the creation of “a range of functional spaces and cooperative instruments” (Blair and Rafferty, 2017, 8). However, the decision by the UK to leave the European Union was regarded by many as representing a significant challenge to cross-border life on the island of Ireland as well as broader regional development.

In terms of regional development policy being prepared and advanced during the withdrawal period, the Irish Government made every effort to consider the potential impacts of Brexit. Both the NPF and the RSES of the three regional assemblies acknowledge that Brexit has the potential to significantly change the nature of cross-jurisdictional and inter-regional relationships, and that it still presents significant opportunities and challenges that are not fully understood and will be unknown for some time. As discussions around the Northern Ireland Protocol reach a much hoped-for conclusion following the publication of the Windsor Framework on 27 February 2023, legislated deadlines have meant that local and regional policies in Ireland have continued to be adopted in a Brexit vacuum. This may lead to variations being required at a later date – if and when the implications of Brexit fully reveal themselves.

#### 4.1.3. Initial analysis and potential areas of impact

With local authorities having been identified as particularly vulnerable to the uncertainties of Brexit (All Island Civic Dialogue on Brexit, 2016), both collectively as a sector and individually as authorities (Ulster University, 2017), it is unsurprising that a number of the local authorities along the Irish border, supported by the cross-border local authority networks commissioned research into potential impacts. Three notable studies were undertaken in 2017-2018 and would reveal the extensive range of sectors, issues and themes involving local government, which the UK’s decision to leave the EU would affect. The first report, covering the North West region and commissioned by Derry City and Strabane District Council and Donegal County Council, recognised that the results of Brexit will have differential geographical impact across these Islands, and that the effect on the North West Region would be significant and sustained unless coherent, decisive, mitigating actions were put in place. The report offered a clear consensus on the continued need for free movement of goods, services and people across this Region, thus “preserving the seamless border”, identified a number of key challenges around

trade, education, health, EU funding, tourism and agriculture/fishing and concluded that, in an area where there are over 40,000 cross-border crossings, “complex cross-border relationships that exist across trade, retail, commuting, tourism and access to public services suggest that this area is disproportionately sensitive to the effects of the UK’s leaving the EU and the return of any hard form of border management” (UUEPC, 2017a: 41).

The second report, commissioned by the Border Corridor Local Authorities – eleven authorities spanning both sides of the Irish border – and also published in 2017 highlights a number of areas potentially impacted by the Brexit result (see Figure 2). This report places a particular emphasis on trade, agri-food and fisheries, movement of people and inward investment.

**Figure 2: Potential areas of impact from Brexit**



Source: Ulster University Economic Policy Centre, 2017b

Particular attention was also placed on funding, with the report noting that despite the fact that the Irish Border Corridor has received significant amounts of EU and other funding since the 1990s, “it continues to lag behind national or regional averages in areas such as productivity and household incomes” (2017b: 43).

The third report was commissioned by the Irish Central Border Area Network (ICBAN) and researched by Professor Katy Hayward of the Centre for International Borders Research at Queen’s University Belfast (QUB). While this report presents issues and concerns as identified through an extensive consultation process with citizens and communities on both sides of the border in the central border region, it strongly echoes the concerns articulated in the aforementioned reports. In particular, it argued that there was a risk of a return to ‘back to back’ development between Ireland and Northern Ireland, with especially negative impacts on the border region. It noted that this could come at a micro-level in the form of people deciding to avoid crossing the border, or in the private sector, as post-Brexit

economic opportunities could come in competition with those on the other side of the border. The report argued that it was critical that cross-border bodies and forums received investment rather than divestment prior to the UK's withdrawal from the EU, not least to help prepare for a smooth transition to post-Brexit cross-border relationships and to minimise the risk of a sharp decline in cross-border market integration. In addition, it noted that Brexit was already beginning to have a polarising effect, and that this was most adversely affecting economic interests.

Further reports produced by the Centre for International Borders Research for ICBAN (2018, 2019, 2021) tracked and anticipated the impact of Brexit in the Irish Central Border Region. Citizenship rights and the status of cross-border workers also emerged very strongly as key concerns; other issues being:

- Diverging environmental standards;
- Provision of specialised healthcare;
- Shrinking recruitment pools;
- The loss of EU funding (including the Common Agricultural Policy or CAP);
- Tourism decline; and
- Tariff barriers.

It should be remembered that, until October 2019, all the reports and planning with respect to the impact of Brexit on the island of Ireland were having to consider the possibility not only of a hard Irish land border but also a 'No Deal' Brexit, with the UK threatening to leave the EU without a withdrawal agreement. In most cases, socio-economic and practical concerns predominated when it came to anticipating the potential impact of Brexit; in the border regions, concerns regarding the impact on regional development and economic growth were exacerbated by fears for the political instability in Northern Ireland. Taken together, the reports acknowledge that there are unknowns and risks associated with Brexit, and that there is a need for authorities in both jurisdictions to avoid any return to back-to-back planning and/or development (Creamer and O'Keeffe, 2017). They call for careful consideration of common interests while, at the same time, "elucidating the multi-dimensional and cross-cutting nature of the issues" (Creamer and O'Keeffe, 2017, 14). As the process of the withdrawal negotiations were extended, there was also acknowledgement of real effect and lasting impact of the uncertainty surrounding the post-Brexit scenarios. In the 2019 ICBAN Report 'The Border Into Brexit', for example, interviewees from the business sector on both sides of the border complained about trying to deal with the situation of 'limbo'. The lag in planning and subsequently curtailed or postponed business expansion actually had an effect.

Indeed, as the impacts of Brexit slowly begin to reveal themselves, research and analysis on the 'Brexit Effect' continue to be commissioned. In June 2022 University College Cork (UCC) published a report on the impact of Brexit on Cork. It notes that the sectors in the South West region which have bore the brunt of the fallout from Brexit to date include: agriculture, finance and industry (Murphy, 2022). On the flip-side, the Port of Cork, as the second largest port in the state, has seen its number of direct shipping routes to continental Europe increase as producers look to avoid the UK land-bridge. The report also identified untapped potential within the higher and further education sector - both in terms of student numbers and research. In the case of students, for example, Cork now finds itself in the enviable position of being the EU's second largest English-speaking city (after Dublin) which, marketed correctly, could prove an attractive location for international students who might otherwise have chosen Britain for their studies. Critically for Cork, and other cities on the island, is the all-island transport infrastructure deficit whereby it was noted that "An optimum road and rail network for the island would reposition Cork as a southern hub with connectivity along an Atlantic Corridor to Derry/Londonderry and via the east coast to Belfast" (p. 13).

To maximise Brexit preparedness, there is a strong case for a much greater emphasis to be placed on this level of all-island strategising - in collaboration with, and in support of regional priorities.

## 4.2. The challenges identified by the EU and UK

### 4.2.1. Avoiding a hard Irish border

In the immediate aftermath of the UK's decision to leave the EU, the need for bespoke consideration of the position of Northern Ireland soon became apparent. This arose primarily in relation to two things: the 1998 Good Friday/Belfast Agreement and the particularities of the border across the island of Ireland between the United Kingdom and Republic of Ireland.

In August 2016, Northern Ireland's First Minister Arlene Foster and deputy First Minister Martin McGuinness submitted a letter to then UK Prime Minister Theresa May, setting out the principal concerns of the Northern Ireland Executive. In it they stated: "this region is unique in that it is the only part of the UK which has a land border with an EU member state". Due to this uniqueness, Foster and McGuinness sought confirmation of the Prime Minister's stated determination "that the border will not become an impediment to the movement of people, goods and services". For its part, the Irish Government also actively sought solutions to suspected key challenges ahead in terms of unpacking the implications of Brexit, maintaining an open border and the Common Travel Area (CTA), and protecting the Good Friday/Belfast Agreement (Creamer and O'Keeffe, 2017).

The European Council guidelines for the EU-UK withdrawal negotiations acknowledged that:

The Union has consistently supported the goal of peace and reconciliation enshrined in the Good Friday Agreement *in all its parts*, and continuing to support and protect the achievements, benefits and commitments of the Peace Process will remain of paramount importance.

In view of the unique circumstances on the island of Ireland, *flexible and imaginative solutions will be required, including with the aim of avoiding a hard border, while respecting the integrity of the Union legal order.*

In this context, the Union should also recognise existing bilateral agreements and arrangements between the United Kingdom and Ireland which are compatible with EU law. (29 April 2017, emphasis added)

The unique circumstances of Ireland/Northern Ireland became one of the top three common EU-UK priorities for the first phase of the Withdrawal negotiations. In December 2017, the EU and UK released a Joint Report setting out progress made in the negotiations to that point. It contained a chapter on Ireland/Northern Ireland which set out commitments from the United Kingdom in respect of this case. Paragraph 47 stated:

Cooperation between Ireland and Northern Ireland is a central part of the 1998 Agreement and is essential for achieving reconciliation and the normalisation of relationships on the island of Ireland. In this regard, both Parties recall the roles, functions and safeguards of the Northern Ireland Executive, the Northern Ireland Assembly, and the North-South Ministerial Council (including its cross-community provisions) as set out in the 1998 Agreement. The two Parties have carried out a mapping exercise, which shows that *North-South cooperation relies to a significant extent on a common European Union legal and policy framework. Therefore, the United*

*Kingdom's departure from the European Union gives rise to substantial challenges to the maintenance and development of North-South cooperation. (emphasis added)*

This paragraph is important because it shows both the EU and UK's recognition of the importance of the cross-border dimensions of the 1998 Agreement and the challenges posed to cross-border cooperation by the Brexit process.

#### 4.2.2. Cross-border cooperation and EU Frameworks

The 'mapping exercise' referred to in the Joint Report was conducted jointly by the EU and UK – but in practice primarily between officials in Ireland and Northern Ireland in late 2017 in an effort to put into real terms the cooperation facilitated by joint EU membership and the 1998 Agreement. The mapping exercise noted that there are three different spheres of cooperation (see Annex 2). The first is six areas of cooperation that operate on an all-island basis under Strand 2 of the 1998 Agreement, by the dedicated bodies for the implementation of these all-island policies (see Section 3.1). There are then six further areas of cooperation agreed by the North South Ministerial Council (NSMC), established by the 1998 Agreement). Beyond these 12 areas covered by the NSMC, there are further areas of formal and agreed cross-border cooperation that have developed since the 1998 Agreement. The mapping exercise of 2017 identified specific areas of cooperation coming under these three categories. It demonstrated varying degrees of linkage between cross-border cooperation and EU frameworks. Some areas of cooperation are directly tied to EU law and policy (e.g., the cross-border railway service), others partially so (e.g., cross-border ambulance service), and some not at all.

The mapping exercise report published in December 2018 noted:

There were a number of cross-cutting areas identified by the mapping exercise that impact North-South cooperation and will be affected by the UK's exit from the EU. These include, but are not restricted to: data protection, including personal data, and information sharing; public procurement; state aid rules; health and safety and employment frameworks in relation to personnel issues in the Implementation Bodies; access to EU funding; the provision of and access to services; the mutual recognition of professional qualifications; and the Common Travel Area (paragraph 19).

A number of these cross-cutting themes will be picked up in Chapter 6.

### 4.3. Conclusion

The effective removal of border controls from the late 1980s onwards facilitated the free movement of people, goods and trade which in turn has brought about tangible economic, social and cultural benefits to the island of Ireland as a whole. Brexit has the potential to undo all of this. Initial analysis, following the referendum result, reveals the extensive range of sectors, issues, and themes which could be negatively impacted - including, trade, health, education, tourism, agriculture/fishing, inward investment and access to EU funding. Concerns around diverging environmental standards, citizenship rights and the status of cross-border workers are also arising. It should be remembered that, until October 2019, all the reports and planning with respect to the impact of Brexit on the island of Ireland were having to consider the possibility not only of a hard Irish land border but also a 'No Deal' Brexit, with the UK threatening to leave the EU without a withdrawal agreement. And while this is no longer the case, it is interesting that more recent research and analysis is highlighting the same concerns and multi-dimensional issues. A large degree of uncertainty remains, as Brexit hasn't yet been fully delivered on, and this uncertainty brings with it a sense of being in 'limbo'.



## 5. MANAGING AND RESPONDING TO THE IMPACT OF BREXIT

### KEY FINDINGS

- Six years after the referendum result, there remains a lot of uncertainty around Brexit.
- While Brexit has yet to play out in full, impacts are already being felt across a range of sectors. It has also, rather quickly, become obvious that the ramifications of Brexit are complex and cross-cutting.
- The immediate impact of Brexit has not been the tremendous disruption expected. In part, this can be attributed to the strength of regional and cross-border partnerships and collaborations that have been built up in the last two decades or more.
- While signals emanating from the on-going talks between the EU and UK in seeking a solution to the issues around the Northern Ireland Protocol appear positive, there is a need to reach a resolution over the shortest timeframe possible.
- In the absence of a final resolution, the Irish Government, together with local and regional authorities, the business community and civic society have been proactive in taking an all-island and cross-border approach to redressing what issues they can as they arise.
- Ongoing issues and concerns on a cross-sectoral basis concern regulatory alignment/divergence, policy alignment/divergence, citizen and non-citizen rights, travel and labour rights, recognition of skills and qualifications, access to EU funding, and monitoring and enforcement issues.

### 5.1. The Protocol on Ireland/Northern Ireland

#### 5.1.1. The Provisions of the Protocol

The UK and EU sought to address the challenges posed by Brexit to the unique circumstances on the island of Ireland in a Protocol on Ireland/Northern Ireland included in their Withdrawal Agreement. The first version of the Withdrawal Agreement that they agreed upon (14 November 2018) was rejected in three votes by the House of Commons. Much of the difficulty in securing support from across the Conservative Party for the Withdrawal Agreement centred on how it proposed to address the challenge of avoiding a hard border on the island of Ireland. The second version negotiated by then Prime Minister Boris Johnson included a revised Northern Ireland Protocol (NIP). This placed Northern Ireland in a separate regulatory sphere to that of the rest of the UK, namely de facto in the EU's single market for goods in order to avoid new EU border controls on the Irish border. This Withdrawal Agreement was ratified through a Parliamentary vote in January 2020.

The UK officially left the EU on 31 January 2020 but continued to align with EU rules as a whole until the end of that year. The transition period came to an end at midnight on 31 December 2020, at which point the Protocol and the newly negotiated Trade and Cooperation Agreement (TCA) came into force. The Protocol has four core objectives; the importance of the Irish border is implicit in each one as it sets out:

“arrangements necessary to address the unique circumstances on the island of Ireland, maintain the necessary conditions for continued North-South cooperation, avoid a hard border and protect the 1998 Agreement in all its dimensions” (Article 1.3).

The Protocol seeks to facilitate continued cross-border trade in goods on the island of Ireland, avoiding physical infrastructure and related checks and controls on the Irish land border. More broadly, and

perhaps ambitiously, the Protocol is also intended to uphold cooperation across the border. Article 11 states:

“The Protocol shall be implemented and applied so as to maintain the necessary conditions for continued North-South cooperation, including in the areas of environment, health, agriculture, transport, education and tourism, as well as in the areas of energy, telecommunications, broadcasting, inland fisheries, justice and security, higher education and sport.”

These are the areas of North-South cooperation directly covered under Strand 2 of the Good Friday/Belfast Agreement, as noted in Section 3.2. The Article also allows for the UK and Ireland to “build on” the 1998 Agreement with further arrangements for cross-border cooperation if they are EU-law compliant.

The Protocol ensures that Northern Ireland remains aligned with EU rules for the application of customs controls, regulatory standards of goods, state aid, VAT, and the Single Electricity Market (SEM). As a consequence, the Protocol effectively means a customs and regulatory border for goods entering Northern Ireland from countries outside the EU. Northern Ireland is to remain dynamically aligned to the portion of the *acquis* that applies under the Protocol. The European Court of Justice (ECJ) has ultimate power in reaching judgements regarding compliance with that same body of EU law that applies in Northern Ireland.

#### 5.1.2. The Governance of the Protocol

In terms of governance, the implementation and application of the Protocol is overseen by the Joint EU-UK Committee responsible for the Withdrawal Agreement. The work of the Joint Committee with respect to the Protocol is informed by a dedicated Specialised Committee, constituted of senior officials from the UK and EU. North/South implementation bodies, established under the 1998 Agreement, can submit proposals to this Committee. Senior officials from the Northern Ireland Civil Service may be invited to attend meetings of the Specialised Committee if Irish officials are also present. Reporting into the Specialised Committee is the Joint Consultative Working Group. It seeks to “serve as a forum for the exchange of information and mutual consultation” between the UK and EU, in particular on upcoming legislative changes in the EU which may affect Northern Ireland. The Protocol is envisaged as an enduring arrangement, but it is subject to the continued consent of a majority in the Northern Ireland legislative Assembly in a vote (specifically on Articles 5-10) as frequent as every four years.

The Protocol, as agreed in 2020, is yet to be fully implemented, and expectations as to what such implementation should look like may be significantly adjusted if the EU and UK agree to ‘joint solutions’ to some of the difficulties that it has given rise to, specifically for trade entering Northern Ireland from the rest of the UK. The politically contingent nature of future implementation, and the evolving post-Brexit environment for business adds complexity to any judgement of the Protocol’s utility or impact.

In December 2020, the UK and EU agreed to some grace periods to give time to prepare for the operation of the Protocol in full. Contrary to commitments made at the time, none of the rules covered by the grace periods are yet in full operation – even though end December 2021 was intended to be the point by which the Protocol was in full force. The need for EU adjustment around such important matters as supermarket supplies, chilled meats and the testing and selling of human and veterinary medicines at the very least indicate the lasting and complex ramifications of Brexit and the Protocol for Northern Ireland. This in turn has implications for the Region’s economic development and cross-border cooperation.



The political ramifications of Brexit and the Protocol are also profound. All but one of the main parties (the Democratic Unionist Party) campaigned to Remain in the 2016 Referendum, although the Ulster Unionist Party supported the objective of withdrawal from the EU once the result was known. The Protocol does not currently have the support of any elected unionist representative in Northern Ireland. Unionist 'community' consent is not required legally for the Protocol to function, but practically its absence weakens the stability of the Protocol and has had a directly negative impact on the operation of the democratic institutions in Northern Ireland. This has knock-on effects for cross-border cooperation.

The withdrawal of the largest unionist party, the Democratic Unionist Party, from the Northern Ireland Executive and from the North-South Ministerial Council (NSMC) in early 2022 has stymied governance and cooperation both in Northern Ireland and across the Irish border. North-South cooperation and governance has been negatively impacted by this institutional paralysis (see Chapter 6). In other ways, Unionist opposition to the Protocol has also contributed to strain in community relations, including in border areas where nationalist and unionist communities often have different historical, security, and political conceptions of the Irish border.

Talks between the EU and UK seeking to reach agreement on the future content and implementation of the NIP were fraught and complex. The Windsor Framework announced by the UK and EU Commission on 27 February 2023 constitutes a draft decision for the Joint Committee to make amendments to the Protocol using Article 164(5) of the Withdrawal Agreement. This Article empowers the Joint Committee to adopt decisions amending the Withdrawal Agreement, provided that such amendments are necessary to correct errors, to address omissions or other deficiencies, or to address situations unforeseen when the Agreement was signed, and provided that such decisions do not amend essential elements of that Agreement. The proposed amendments to be made through the Windsor Framework see a reduction of impediments to the trade of goods within the UK from Great Britain to Northern Ireland while maintaining an open North-South goods border. The role of the ECJ as the final arbitrator of Single Market rules remains intact.

The question that remains is how long it will be until devolved government is restored in Northern Ireland. Only then can the NSMC function and meet the challenges outlined in this report. Equally, the potential of fully functioning East-West Good Friday/Belfast Agreement institutions, such as the British-Irish Council<sup>10</sup>, to assist in meeting post-Brexit cross-border challenges is dependent on a functioning power-sharing Northern Ireland Executive.

## **5.2. Top-down responses to Brexit around regional development and cross-border cooperation**

### **5.2.1. Regional development investment**

As noted in chapter 4, the Irish Government had recognised even prior to the referendum on the UK's withdrawal from the EU (23 June 2016) that Brexit would pose specific difficulties for the island of Ireland. This included recognition of the disruption to come to regional development on the island. In a paper setting out the Government's response to UK Withdrawal (Government of Ireland, 2017), it

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<sup>10</sup> The British-Irish Council was established as part of the Good Friday/Belfast Agreement on 10 April 1998. Established under strand 3 of the Agreement, its membership comprises representatives from the Irish Government; UK Government; Scottish Government; Northern Ireland Executive; Welsh Government; Isle of Man Government; Government of Jersey and Government of Guernsey. See <https://www.britishirishcouncil.org/>

specified several challenges relevant to regional development and cross-border cooperation. This included the economic impact of Brexit on sectors with high rural and (border) regional employment, transportation and connectivity across the border, and Northern Ireland's continued participation in a range of EU funded programmes with a cross-border dimension. The Irish Government's (2017) response to this challenge included eight Regional Action Plans, which included ambitions to create an additional 135,000 jobs outside the Dublin region by 2020, to ensure the unemployment rate of each region is within percentage point of the State average, and to increase Foreign Direct Investment (FDI) in regional areas by up to 40 per cent. As part of the Regional Action Plan initiative, the Government proposed to "provide investment of up to €60m to support collaborative approaches to boost enterprise and job creation throughout the country" (Government of Ireland, 2017: 42). It also put forward an Action Plan for Rural Development with a range of measures to maximise the potential for economic and social progress in rural areas. Enabling balanced regional development was the objective in advancing the National Broadband Plan (NBP) and boosted resources for Town and Village Regeneration, including investing €50m for collaborative approaches to job creation in the regions. With an external focus, the Government also proposed to expand the property capacity of the Industrial Development Agency (IDA) outside Dublin.

Necessarily, regional development post-Brexit could not be conceived purely on a twenty-six county basis. The Irish Government also invested in regional development with a cross-border dimension. This is reflected in the commitments of the aforementioned New Decade, New Approach (NDNA) document (2020), as well as in other specific funds.

"Assessing the Brexit relation challenges for regional cooperation has been supported both by the Irish Government and the Northern Ireland Executive through a thing called the Northwest Regional Development Fund." (Interview 8)

In such ways, responding to Brexit has seen both Executives working with local authorities to enable them to do the research and the planning work that they need to do to ensure that they're sighted on the challenges and the potential opportunities of Brexit. One interviewee noted that ensuring that such cooperation could continue required conscious and close liaison between officials in the Irish Government and Northern Ireland Executive (Interview 8). Another commented that, in responding to Brexit by having closer cooperation, "there's a lot of effort, good effort, [and] energy going into the local authorities, but it's yet to find a sort of a new dynamic" (Interview 3), thus pointing to the challenge for sustainable cooperation into the medium and long term.

When facing the uncertainties and insecurities provoked by the prospect of Brexit for the island of Ireland, local authorities were also conscious of the difficulties and inadequacies they also faced for cross-border cooperation. As one interviewee noted, "When we are sitting with an infrastructural gap that was a significant concern at a service level, we also were concerned about the implications of Brexit" (Interview 11). Such implications relate also to regulatory uncertainty (see Chapter 6). A considerable resource was invested in these levels of government to manage the prospect of a 'No Deal Brexit' in particular. By way of example, this included the recruitment of more environmental health officers to look at the certification of foods.

### 5.2.2. Stakeholder engagement

Engagement with stakeholders was a key pillar in the Irish Government's overall response to Brexit – both in terms of identifying priority issues and shaping policy responses. As of July 2019, this had included over "100 Brexit information seminars and events since September 2018; a nationwide media information campaign and 750,000 leaflets distributed nationwide through 5,000 public outlets; and 18 meetings of the Brexit Stakeholders Forum chaired by the Tánaiste" (Government of Ireland, 2019, 4). A major engagement initiative was the All Island Civic Dialogue on Brexit series, the first of which was held in November 2016. In his speech to the initial meeting of the Civic Dialogue, the then Taoiseach, Enda Kenny TD restated the Government's priorities as being: "the economy and trade;

Northern Ireland and the peace process; the border and the Common Travel Area, as well as the future of the EU itself". The All Island Civic Dialogue was part of a series of consultations by the Irish Government. It involved both plenary and sectoral dialogues with a diverse range of stakeholders from across the island of Ireland – thus ensuring a comprehensive, inclusive and holistic approach was taken to opportunities and challenges identified.

Another aspect of the response to Brexit has been to equip bodies to help stakeholders manage the change. The work of InterTradelreland was seen as particularly important in this area, acting as it does to facilitate all-island trade. The information they are able to impart as well as their monitoring of the business experience has proven critically important over the past few years. This was enabled by both executives in Ireland and Northern Ireland, as explained by an interviewee from InterTradelreland<sup>11</sup>:

"We have approval from the governments, North and South, to deliver a trade information service, which will be information hosted on InterTradelreland that will cover a lots and lots of areas of trade... for example all the trade routes, all the customs look at the regulations, space services, people, cross-border employment... and so that's part of our plan for the future: to just deliver more." (InterTradelreland Interview)

### 5.2.3. Establishment of the Shared Island Initiative

The Shared Island Unit was established in 2019 - first in the Department of the Taoiseach and now in the Department of Foreign Affairs - with a broad-based agenda to support cross-border cooperation and connectivity through public investment and commissioned research, alongside all-island discussions on issues seen as pertinent to the future (see Box 11). A large impact of the Shared Island Unit has been in terms of the funding streams it offers. In some ways, these may be seen as complementing funding previously offered by the EU in this area (see Figure 3). The model of offering capital investments, for example, is one that worked well for recipients of Peace funding.

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<sup>11</sup> Not anonymised at the request of the interviewee.

**Figure 3: Key statistics about the Shared Island Initiative**

Source: Government of Ireland, 2022

The Shared Island Fund thus has the potential to make a difference for future connections across the island. In that sense, it offers: “opportunities for kind of complementary investment to EU, Ireland and UK sources to support cross-border cooperation.” (Interview 12). A number of interviewees also noted the importance of this fund, not just in terms of its scale but also its timeliness:

“It has created an energy and a body of work which as you know in some way helped sort of copper-fasten the ‘fix’ to any worries that we would have had about the fragmentation or the reinforcing of the border.” (Interview 11)

**Box 12: Shared Island Unit**

The Shared Island initiative is an Irish Government financed and led cross-border initiative seeking to enhance “cooperation, connection and mutual understanding on the island and engage with all communities and traditions to build consensus around a shared future.”

The Shared Island Fund was announced in Budget 2021, with €500m in capital funding available between 2021-25, ring-fenced for investment in collaborative North/South projects. More than €190 million has been allocated since 2020, with a commitment to allocate €1 billion in “all-island investment and objectives” by 2030.

Initially focused on cross-border capital investments, in particular infrastructure, the Unit is now expanding into areas such as research and innovation, biodiversity, tourism, language and culture, and strengthening civil society. Supported projects include the Ulster Canal and Narrow Water Bridge as landmark sustainable tourism and connectivity assets; Co-Centres for Research and Innovation on climate and on food sustainability; electric vehicle charging infrastructure; and, development of new investment projects by local authority partnerships across the island (Government of Ireland, 2022).

The work of the Unit is supported by research and recommendations to Government from the National Economic and Social Council and Economic and Social Research Institute; with research to date examining such topics as Education, Primary Healthcare, and Productivity levels on the island of Ireland.

*Challenges*

- Fund does not match the lost revenue streams for Northern Ireland and border region of EU membership.
- Difficulties engaging unionist communities given the contested politics of the wider Shared Island agenda.
- Economic challenges facing local government and other stakeholders.

*Potential*

- Substantial Shared Island spending commitments already made in the North-West cross-border region highlight the potential of the fund, and the high capacity of some existing cross-border partnerships.
- Improved UK-Ireland relations, founded on a lasting EU-UK agreement, could enable future coordination of Shared Island and UK Levelling Up investment into cross-border regional development.

**5.3. Responses to Brexit****5.3.1. Local and regional responses**

“Pre-Brexit an awful lot of cooperation happened either automatically or was significantly facilitated and enabled by EU membership on both parts of the island. I think the last six years has been necessarily taken up, you know, for anybody involved in this area, with trying to deal with the fact that that's no longer the case.” (Interview 12)

The existence of, and relationships between, institutions with the capacity to operate in areas of cross-border cooperation have been key to managing some of the fallout from Brexit. This is reflected in the coordination among civic society actors on an all-island basis, centred upon identifying common needs and interests, and presenting them jointly. The Centre for Cross Border Studies, (CCBS) with its independent, non-political and research-based agenda, has played a crucial and unique role in this space. The establishment of the Ad-Hoc Group for North-South and East-West Cooperation is a prime example (see Box 12).

#### **Box 12: The Ad-Hoc Group for North-South and East-West Cooperation**

The Ad-Hoc Group for North-South and East-West Cooperation has been established as the prime contact point for purposes of meaningful consultation between cross-border civil society and regional, national and EU bodies on matters relevant to cooperation between Northern Ireland and Ireland, and between the island of Ireland and Great Britain. Established in May 2020 by CCBS, the primary objective of the Ad-Hoc Group is to secure the continued means to cooperate within and between these islands, ensuring that agreements, policies or legislation developed or enacted by relevant regional/devolved and national governments and/or the European Union are conducive of the maintenance of the conditions necessary for cooperation within and between the island of Ireland and with Great Britain.

A grouping of over twenty organisations from Northern Ireland and the Republic of Ireland on the front-line of the support and delivery of cross-jurisdictional initiatives on the island of Ireland, the Ad-Hoc Group has met with a number of officials and political representatives from London, Dublin, Belfast and Brussels over the past two and a half years. These meetings have been mainly thematic in nature, with a number of constant themes emerging relating to, for example, the need to commit, on a consistent basis, to a process of engagement with civil society in this post-transition period and a core commitment to consider the impact of the implementation of the Northern Ireland/Ireland Protocol on cross-border cooperation on the island of Ireland.

In addition, there is a strengthening of bi-lateral cooperation across agencies working in specific sectors, particularly where the risk of Brexit remains very real as future working/collaborative arrangements have not yet been set in stone. This is particularly evident in the environmental sector (see Section 5.5.2. below).

One mechanism cross-border groups have sought to utilise to reassure and engage unionist stakeholders has been a new focus on East-West workstreams and events, be it through direct engagement with the UK government, or devolved administrations in Great Britain, or through other more informal approaches. Applying for UK funding, alongside new all-island funding streams (such as the Shared Island initiative), has similar cross-community appeal, as well as an obvious financial utility given budgetary pressures.

#### **5.3.2. EU-level responses to Brexit: Brexit Adjustment Reserve**

The core aim of the Brexit Adjustment Reserve (worth €5.4 billion in total) was to counter the adverse consequences of UK Withdrawal in the member states and sectors affected. Ireland was the first to



receive this funding and the biggest beneficiary of the fund itself. The funding Ireland received can be expensed since 1 January 2020 and will run till the end of 2023. Ireland received €361.5 million in 2021, €276.7 million in 2022 and will receive €282.2 million in 2023 (IREO, 2023). Furthermore, a special temporary instrument outside the EU budget ceilings of the Multiannual Financial Framework 2021-2027 was set up for this purpose.

The fund was initially set up to support member states with close trading ties with the UK; Ireland was clearly in this category. For example, 34% or €4.5 billion of Irish food and drink exports go to the UK; there were particular concerns that this would be put at risk by a 'no deal' Brexit – a threat which persisted to the end of 2020. The funds have been used by the three regions within Ireland (Eastern and Midlands, Northern and Western and Southern) to support and develop initiatives, including job creation, investment in infrastructure, and support for businesses impacted by Brexit; as well as supporting the border region and areas identified to be most significantly impacted by Brexit. The designated body within Ireland for managing and deciding on the Reserve in Ireland is the Department of Public Expenditure and Reform (DPER).

## 5.4. The impact of Brexit

### 5.4.1. Unwanted distraction

A common complaint about Brexit from the interviews as part of this research is that it was a distraction from other work and pressing needs. This is a particularly strong complaint from bodies at times of budgetary pressure (Interview 1). Others talked about the difficulty in dedicating necessary resources - time, budget, training - to managing Brexit at a time of increasing complexity and challenge for regional development. One described it as being a "time of emergency" (Interview 2). The particular concern is that this is not a finite experience but that the drain on resources and capacity will have a lasting effect in the fact that they would not have been invested in more productive ways. One interviewee describes the legacy of Brexit thus:

"time and energy and capital, both political and financial, that will otherwise be given over to developing relationships hasn't been able to proceed over the last six years as much as otherwise would have been the case." (Interview 12)

The continued uncertainty of the situation also means that there is a sense of perpetual Brexit-related drain upon resources, particularly among the organisations in the private and public sector who are engaged in work with Northern Ireland or Britain:

"There's a lot of turnover of staff and businesses. And what we're finding is those businesses who have learned and trained staff have to redo it and redo it time after time. So if you take, for example, a commodity code - that changes, the understanding of people looking after them changes. [There's a challenge of] getting really good, useful, quick sound bites on our website for that. ...And reach more businesses with free information." (Interview 10)

### 5.4.2. Limited impact

Nevertheless, a theme that did come through in many interviews was that, after the anticipation of a tremendous disruption to occur through Brexit (particularly in the context of a possible 'No Deal



Brexit'), the actual effects experienced to date were less than they might have been. Part of this is because, of course, there were two deals agreed - the Withdrawal Agreement (and Protocol on Ireland/Northern Ireland) and the Trade and Cooperation Agreement (TCA). It is also in part because there was already an international border across the island of Ireland.

"you know prior to Brexit we would have had two different jurisdictions, two different currencies, two different, you know, sovereign territories and such... You know, we would always have operated under certain legislative practices etcetera." (Interview 4)

Moreover, we are only at the early stages of the post-Brexit condition and the Protocol has not been fully implemented.

"I suppose alignment and consistency of policy approaches and regulation across the island would be effectively guaranteed as a result of shared European Union membership. Brexit obviously has changed the picture there and has undermined that quite significantly... but the impacts so far, really, I think are – it is fairly limited in the sense that we're looking ahead to the prospect of regulatory and policy divergences between the two jurisdictions as a result of Brexit, rather than necessarily dealing with the immediate impacts that we're seeing at the moment because the policy direction and the two jurisdictions hasn't actually changed that much since Brexit actually happened." (Interview 8)

#### 5.4.3. Unexpected positive effects

One unexpected finding from this research is that some consider the impact of Brexit to have had some positive consequences as a result of the way in which authorities and groups have reacted to the challenge. In particular, the anticipation of the disruptive effects of Brexit - especially a 'No Deal' - caused cross-border groups and local authorities to consider what needed to be preserved and protected.

"if there was a positive of Brexit, it is that a lot of the things that we took for granted and people now appreciate and realise the value of those and want to, and want to see that collaboration and cooperation being facilitated. And again we see that as a priority for us and in facilitating it, but also highlighting to policymakers the importance of it." (Interview 10)

Looking ahead, others consider that the growing effects of Brexit are highlighting the importance of deliberate collaboration:

"Yep, we've just continued on and if anything it's probably strengthened the need for collaboration." (Interview 11)

### 5.5. The direct impact of Brexit on regional development and cross-border cooperation impact of Brexit

This section considers the direct impact of Brexit on some of the sectors highlighted in Chapter 3, focusing on the landscape of regional development and cross-border cooperation. They are also reflective of a number of those sectors on which the Irish Government held 'Sectoral Dialogues' during

2017 and 2018, recognising that these sectors will be directly impacted. The extent of the impact is still evolving, as we discuss in Chapter 6. The implications of Brexit were beginning to come into view just as the much more immediate challenge of the COVID-19 pandemic emerged in March 2020 in all jurisdictions. It should be noted, therefore, that evaluating the impact of Brexit is difficult to disentangle from the overwhelming demands the pandemic placed on governments and civil society across the island and beyond.

### 5.5.1. Energy

Importantly, post-Brexit, the Single Electricity Market (SEM) is strongly protected by the existing Northern Ireland Protocol, Article 9. The leading business interest groups on the island, IBEC-CBI, have strongly emphasised maintaining this model and channelling investment into meeting the broader demands of energy security and climate change within a cross-border framework. Other commentators, such as Muinzer et al (2022) have concerns that the current arrangements leave a democratic deficit for energy policy in Northern Ireland. As Brexit unfolds and given the broader European security and climate change context, combined with the uniqueness of the all-island market, energy could develop as a key test of Irish-British relations and the strength of a settled EU-UK agreement re. Northern Ireland.

Other 'live' issues for energy and energy security on the island of Ireland include the heavy reliance on fossil fuels by both jurisdictions, including the high use of home heating oil by households in both Ireland and Northern Ireland. This brings a complex set of challenges in terms of, for example, the cost of living crisis, meeting decarbonisation targets, and the resourcing of deep retro-fits. Another issue is the unique and potentially vulnerable position Northern Ireland will find itself if significant divergence emerges between the UK and EU in terms of energy regulation, environmental management and protection, and targets (as explained further below).

### 5.5.2. Environment

The pre-Brexit environmental context of shared EU standards sitting alongside significant North-South divergences created an already complex pattern of cross-border regulations, networks and governance. Brexit, and other contemporary developments, have added further layers to this intricacy, which will have implications for local and regional government in terms of spatial development, future infrastructure investments and environmental management and protection.

Brennan et al (2023: 7) see Brexit's headline impact on the North-South environment as:

"the potential to diverge further post-Brexit with the removal of the underpinning set of common EU legal requirements and environmental standards on both sides of the border. Brexit has also removed the important scrutiny and enforcement role of EU institutions in respect to environmental outcomes from one part of the island, as well as shared EU governance mechanisms in policy development, implementation, monitoring and design."

This concern over the monitoring and enforcement of environmental standards was a significant issue echoed by interviewees and focus group participants in this study. It relates to both the potential for further cross-border divergence in standards and the longstanding concern about the limited resources both officials and NGOs have to monitor and enforce existing standards. Our respondents raised concerns around:

“regulatory divergence on both sides of the border, or even both sides of the sea, lack of policy coherence, issues around challenges to enforcement, challenges to funding and the possible difficulties that the North/South Good Friday Agreement bodies would have in acting together to improve environmental policy on the island.” (Focus Group 2)

Additional complexity to regional and cross-border environmental cooperation and policy comes with multidirectional internal divergences of policy and governance within the UK. Significant environmental intra-UK divergences (e.g. between Scotland, Wales, England and Northern Ireland) are potentially left open by the limitations of the UK’s so-called Common Frameworks intended to manage the problem. One example given in a Focus Group is the various ways of environmental enforcement:

“Northern Ireland has the Office of Environmental Protection, which is an offshoot of the English model that was brought about by the UK Environment Act. Scotland have done a different thing and Wales are doing a different thing. So everything before that was all done under the one banner... by the European Commission... There is now ... at least three or four different variations of it”. (Focus Group 2)

A key finding of the Brennan et al (2023) report is the importance to the environmental sector of improved “access to information, policy-making and justice in both jurisdictions” (p.9). This is seen as key to meeting the challenges of resources, the complexity of mapping regulation in overlapping jurisdictions, and the potential risks emerging from EU-UK and intra-UK divergence.

### 5.5.3. Education

As a direct result of Brexit, the UK has opted out of Horizon Europe and also decided not to take part as an associated third country in the new Erasmus+ programme 2021-27.

“The politics of Brexit to a certain degree has created barriers. You know, we had business, you had academics, you had businesses benefiting from Horizon Europe and collaborating on a cross-border basis. That's now gone. And because there's no clear clarity around Horizon Europe and Northern Ireland will have third country status. So to me there's more [challenges and opportunities] in terms of longer term strategy. InterTradelreland has more of a role than ever to play in facilitating that collaboration, but also highlighting to policymakers the potential losses. And then looking for alternative sources of funding to allow that collaboration to take place. (Interview 10)

Brexit also gives rise to issues around the recognition of professional qualifications. As of 1 January 2021, the EU Directive on Mutual Recognition of Professional Qualifications (MRPQ), which was established in order to make it easier for EU/EEA countries to recognise each other’s professional qualifications, no longer applies to the UK. While previous decisions continue to be valid, UK professionals seeking recognition in EU/EEA countries will now be treated as third country nationals and recognition will be based on the applicable rules of each individual EU/EEA country. These changes to recognition of qualifications have implications not only for frontier workers but also wider regional development in terms of access to labour. Some of these have been addressed bilaterally between the UK and Ireland through the Common Travel Area (CTA) and some under the remit of the Trade and Cooperation Agreement (TCA). In May 2019, the UK and Irish governments signed a Memorandum of Understanding to confirm the rights enjoyed by British and Irish citizens in the CTA. It included a commitment on the right to work:

“The CTA affords British citizens in Ireland and Irish citizens in the UK the right to work, including on a self-employed basis, without any requirement to obtain permission. The Participants are to continue to ensure that their national laws provide for such a right to work. It is acknowledged that the recognition of qualifications, including professional qualifications, is an essential facilitator of the right to work associated with the CTA. The Participants are committed to ensuring that within their respective jurisdictions, comprehensive measures continue to be in place to allow for the recognition of such qualifications, covering all relevant professions, in accordance with their national laws.”

Article 158 of the TCA establishes a framework that allows UK and member-state regulators or professional bodies to develop arrangements for the mutual recognition of qualifications on a profession-by-profession basis. As McStravick (2021) notes, “Regulators are not obliged to pursue MRAs through the TCA process and may instead agree memoranda of understanding with a regulator in a particular member state on a bilateral basis”. This allows scope for UK-Ireland agreements between professional bodies that can facilitate bilateral cooperation. For example, the Architects Registration Board (ARB) in the UK decided to unilaterally recognise qualifications gained in the EU/EEA under the MRPQ Directive and has reached an MoU with the Royal Institute of the Architects of Ireland (RIAI) (McStravick, 2021).

#### 5.5.4. Health

At an inter-regional level, the primary concerns expressed post-Brexit on potential implications to the health sector were varied – from access to services on a cross-jurisdictional basis, recognition of qualifications, and access to medicines. Concerns expressed immediately post-Brexit as to the possibility of significant divergence of food standards and nutrition North-South have not come to pass. The NIP’s provisions prioritising all-island agriculture and agri-foods markets have ensured a broad continuity in standards and procedures on a cross-border basis, in contrast to the ‘grace periods’ and uncertainties of elements of post-Brexit East-West food supplies.

COVID-19 revealed the existing strengths and weaknesses of cross-border public health policy and infrastructure and had a dramatic impact on the daily lives of border communities. The early months of the pandemic in 2020 saw fears that the pandemic was exasperating the already fraught post-Brexit state of Ireland-UK relations and revealing tensions between the CTA and public health: “In the midst of the Covid-19 crisis, the London-Belfast-Dublin axis appears increasingly dysfunctional” (Murray, 2020). Although the evolution of the pandemic and public policy responses to the crisis were in the longer-term, broadly, similar, divergences of regulations and infection-rates across the island of Ireland and within the UK ensured that experience of the pandemic was often regionally specific. Most notably travel restrictions within Ireland in 2021 resulted in an effective restriction on cross-border travel to Northern Ireland for all but essential travel. In February 2021, the Irish government introduced COVID-19 restrictions on cross-border travel, resulting in fines of €100 for anyone “not ordinarily resident” in Ireland who had travelled for “non-essential” reasons. These restrictions were eased in May 2021.

The long-term security of Northern Ireland’s supply chain for medicines and medical devices remains uncertain, with potentially significant consequences for health in terms of policies and cross-border public health planning. Through the Protocol, Northern Ireland remains within the remit of the Single Market and the jurisdiction of the European Medical Agency (EMA) for these goods, when 80% of its medicines arrive from Great Britain - now outside of the EMA. In the initial aftermath of the NIP many within the sector noted the “alarming rate at which firms had notified the government that they would

withdraw from the Northern Ireland market” (Nuffield Trust, 2022). Unilateral action by the Council of the European Union<sup>12</sup> in April 2022 successfully calmed some concerns within the sector, through a three-year transition arrangement allowing temporary continuity in UK medicines’ entry into the markets of Ireland, Malta and Cyprus. There remains, however, widespread doubt in the long-term viability of these arrangements post-transition period, without a cliff-edge change and disruption to Northern Ireland supplies. The Healthcare Distribution Association UK stated in January 2023 that the regulatory “tectonic plates” of Northern Ireland and Great Britain are moving apart and measures to keep them together are “sticking plasters”<sup>13</sup>. These and associated matters remain of live concern in some of the current debate about the Protocol.

#### 5.5.5. Tourism and Culture

Brexit had an immediate impact on the tourism industry in Ireland and is seen as representing the biggest challenge to Irish tourism since the global economic recession. According to the Irish Tourism Industry Confederation, visitor numbers from Britain were down 7% between 2016 and 2017; equating to over 200,000 fewer Britons coming to Ireland. The Confederations ‘End of Year Review 2019’ referenced the impact of ‘perceptual damage’ on tourist numbers - resulting from ongoing media coverage of Brexit and Ireland’s land border issues which, it argued, caused confusion and adversely impacted demand for Ireland in some key source markets. Across Ireland, some regions were very dependent on the British market pre-Brexit, such as the Border (40% of international visitors are from Britain), and the South-East, Midlands and South-West, which all have a 38% British share (DIGI, 2018).

In response to Brexit, Fáilte Ireland developed a range of on-line advisory and training supports as well as targeted marketing campaigns to help tourism businesses prepare for the range of impacts. Local and regional authorities took the opportunity to utilise funding calls to develop new tourism products. For example, under the Shared Island Local Authority Development Funding Scheme, twenty-five cross-border projects received funding in September 2022 to advance strategic North/South investment projects, including in the areas of tourism and recreation.

In December 2022, as part of the Shared Island Initiative, the Irish Government announced the expansion of the Creative Ireland Programme 2023-2027 to include a shared island dimension. The initiative will seek to deploy creativity to, among other things, increase opportunities for cross-community cultural and creative initiatives between children and young people, and support local authorities to enhance networks of creativity in support of vibrant and inclusive people-to-people and community-to-community partnerships.

#### 5.5.6. Cross-border working

A common challenge for all of these aforementioned sectors is access to labour. Immigration is an ‘excepted matter’ for Northern Ireland, which means that the region has to apply laws made in Westminster. The UK has made two notable changes in this area of law that have implications for cross-border working. The UK’s ending of freedom of movement for other EU citizens means those non-Irish EU citizens who live in Ireland have lost their automatic right to work in Northern Ireland. If they were already working in Northern Ireland prior to 31 December 2020, they need to hold a UK Frontier Worker permit or hold settled status in the UK to continue to do so. The Citizens’ Rights (Frontier Workers) (EU

<sup>12</sup> Directives 2001/20/EC and 2001/83/EC)

<sup>13</sup> UK House of Lords Protocol Ireland-Northern Ireland sub-committee, evidence session 18 January 2023

Exit) Regulations 2020 requires EU26 citizens (or EEA state national or Swiss citizens) who live outside the UK but are employed in the UK to register in order to continue have the freedom to work in the UK. This means they have to satisfy the points-based migration system in operation in the UK now. Non-Irish EU/EEA workers who live in the Republic of Ireland and work in Northern Ireland are required to register for the permit in order to continue travelling from the south to the north for work.

The situation became further complicated by the Nationality and Borders Act (2022), which goes further than the Fronter Worker Permit in affecting not just those who cross the border for work but any non-Irish and non-British citizen who crosses the border for any purpose, from tourism to shopping. Over 70% of international tourists to Northern Ireland enter via Ireland (O’Keeffe and Creamer, 2018); all those without visas already would have to complete an Electronic Travel Authorisation (ETA) in advance of crossing the border<sup>14</sup>. This will include the submission of biometric data. The scheme has been criticised for its potential detrimental impact on the lives of ‘non-visa nationals’ resident in border areas of Ireland who need to enter Northern Ireland for essential purposes such as visiting family, permitted work engagements, accessing services and participating in cross-border projects. There are concerns about the ramifications of the scheme beyond the individuals likely to be affected. The leisure and tourism sectors have expressed concern, as have others in the private, voluntary and public sectors, as this interviewee shows:

In further and higher education institutions in the North West, there's concern about their attractiveness to international students. I mean, if you are an international student coming in from an EU Member State contemplating doing a course in Atlantic Technological University in Letterkenny and you fly into Dublin, how do you get to Letterkenny if you're subject to an ETA requirement in order to cross the border?" (Interview 8)

The Irish government has publicly objected to the UK’s ETA proposals on the grounds that it is unworkable in the context of the land border. However, the rollout of the ETA scheme went live at the beginning of 2023 and is anticipated to be extended to all non-visa nationals by the Autumn 2023.

## 5.6. Conclusion

The UK officially left the EU on 31 January 2020, with the transition period concluding at midnight on 31 December 2020. Importantly, the Protocol’s commitment to cross-border trade of goods and upholding cooperation across a number of sectors is reflective of those same sectors highlighted by the Good Friday/Belfast Agreement as areas for cooperation for mutual benefit. However, the Protocol as agreed has yet to be fully implemented, and expectations as to what such implementation should look like may be significantly adjusted if the EU and UK agree to ‘joint solutions’ to some of the difficulties that have arisen around the agreed Protocol, specifically for trade entering Northern Ireland from the rest of the UK. Grace periods have come and gone and in early 2022, the withdrawal of the Democratic Unionist Party from the Northern Ireland Executive led to the collapse of Stormont. This in turn has stymied governance and cooperation both in Northern Ireland and across the Irish border. This highlights the complexity of Brexit and the Protocol for governance, relationships, regulation and policy. The Irish Government, Northern Ireland Executive, local authorities and civil society at large has not been found wanting in terms of committing to solutions to both protect the Agreement and

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<sup>14</sup> The Act requires those entering the UK (including via the land border with Ireland) who do not need a visa to do so to apply for the digital Electronic Travel Authorisation in advance of entry.

mitigate the impacts of Brexit. The establishment of the Shared Island Unit with a committed €1 billion of funding for all-island investment and objectives between now and 2030 is a potential game-changer in mitigating the impacts and growing the all-island economy. With the 25th Anniversary of the Good Friday/Belfast Agreement being celebrated this year, it is hoped that this will prove an added incentive in firming-up the better relationship hoped for through the Windsor Framework.



## 6. LOOKING AHEAD: UNCERTAINTY AND COMPLEXITY

### KEY FINDINGS

- Cross-border cooperation on the island is no longer primarily covered by common EU single market membership but is facilitated by a complex arena of legal agreements and policy arenas: these include the Trade and Cooperation Agreement (TCA), the Protocol under the Withdrawal Agreement, the Common Travel Area (CTA), and the work of the North South Ministerial Council (NSMC), for example.
- There now are new regulatory 'borders' all around Northern Ireland for various sectors to navigate. This has direct implications for those in Ireland wishing to cooperate or invest across the Irish border, let alone across the Irish Sea.
- The uncertainty of Brexit has been managed to date, to some degree, by the innovation and investment in cooperation over recent decades. But there are concerns that, as time passes, Ireland's engagement with the UK will potentially lessens in terms of policy innovation and new partnerships,
- The complex legal arena for North-South cooperation is difficult to track in the post-Brexit context. This will worsen if the UK proceeds with the Retained EU Law Bill that is currently before Westminster.
- If the UK proceed with the Retained EU Law Bill, there is the prospect of gaps in key areas of regulation - such as environmental protection - appearing automatically at the end of 2023. The scale of this automatic expunging of EU-derived and retained law in the UK has ramifications for wider regional development policy and practice.
- Uncertainty – perhaps the key word of this process - strains on resources, and difficulties in long-term strategic planning are all intrinsically linked to the political context of the breakdown of EU-UK agreements and relations, the absence of functioning devolved government in Northern Ireland and the consequential absence of a functioning NSMC. Cross border collaboration will become less likely and more difficult.
- The Windsor Framework to the Protocol on Ireland/Northern Ireland brings the benefit of stabilising the EU-UK relationship but it does potentially bring further possibilities for regulatory divergence North/South.

### 6.1. The future context for regional development and cross-border cooperation

#### 6.1.1. The limitations of the Protocol

Northern Ireland is in a unique situation: inside the EU's single market for goods but outside the European Union; and inside the United Kingdom but not completely integrated with the UK internal market. This has serious consequences for – and adds enormous complexity to – governance and for cross-border cooperation with Northern Ireland. This is in part because of the complex multilevel governance that already operates in Northern Ireland post-1998 Agreement. There are limitations to the degree to which Northern Ireland remains integrated with Ireland under the Protocol. Outside the European Union and under the Protocol, there now are new regulatory 'borders' all around Northern

Ireland for various sectors to navigate. This has direct implications for those in Ireland wishing to cooperate or invest across the Irish border, let alone across the Irish Sea.

That said, there are freedoms of movement not covered by the Protocol – services, people and capital. This has particular consequences, which will be discussed below, for non-Irish EU citizens and cross-border financial and legal services on the island. The continuation of the Common Travel Area (CTA) is affirmed in the Protocol (Article 3), but (as noted in Chapter 5 above) it does little beyond offering freedom of movement for British and Irish citizens across both jurisdictions. The Protocol also allows for potential future further divergence of Northern Ireland services and sector regulations from those in Ireland. In terms of border controls, the taxation of excise goods, e.g. fuel, alcohol and tobacco, remains divergent on both sides of the border, and cross-border smuggling is still lucrative.

This underscores the difficulties posed to North-South cooperation in the longer term. Article 11 states that: “The Joint Committee shall keep under constant review the extent to which the implementation and application of this Protocol maintains the necessary conditions for North-South cooperation”. This gives extraordinary responsibility to an international implementation committee with respect to cross-border cooperation, which often occurs at a regional level. It means that, with EU-UK consensus, the Protocol may be the mechanism to scrutinise and manage remaining regulatory North-South gaps. But when it comes to meeting the challenge of those ‘gaps’, the primary responsibility is instead likely to fall to the bilateral UK and Ireland relationship, any future Northern Ireland Assembly and Executive, and cross-border local authorities. The work of meeting such gaps at a local or regional level, however, can be made more or less easy by the nature of the relationship of the UK to the EU.

There was a recent significant step forward in that EU-UK relationship. The Windsor Framework announced by the European Commission and UK Government on 27 February is intended to be the final agreed arrangements for the conditions for trade and cooperation between the UK and EU in respect of Northern Ireland. The changes to the Protocol that it makes are to come through a decision of the EU-UK Joint Committee. This offers a much-requested opportunity for stability and certainty for Northern Ireland.

### 6.1.2. Vulnerabilities of cross-border cooperation

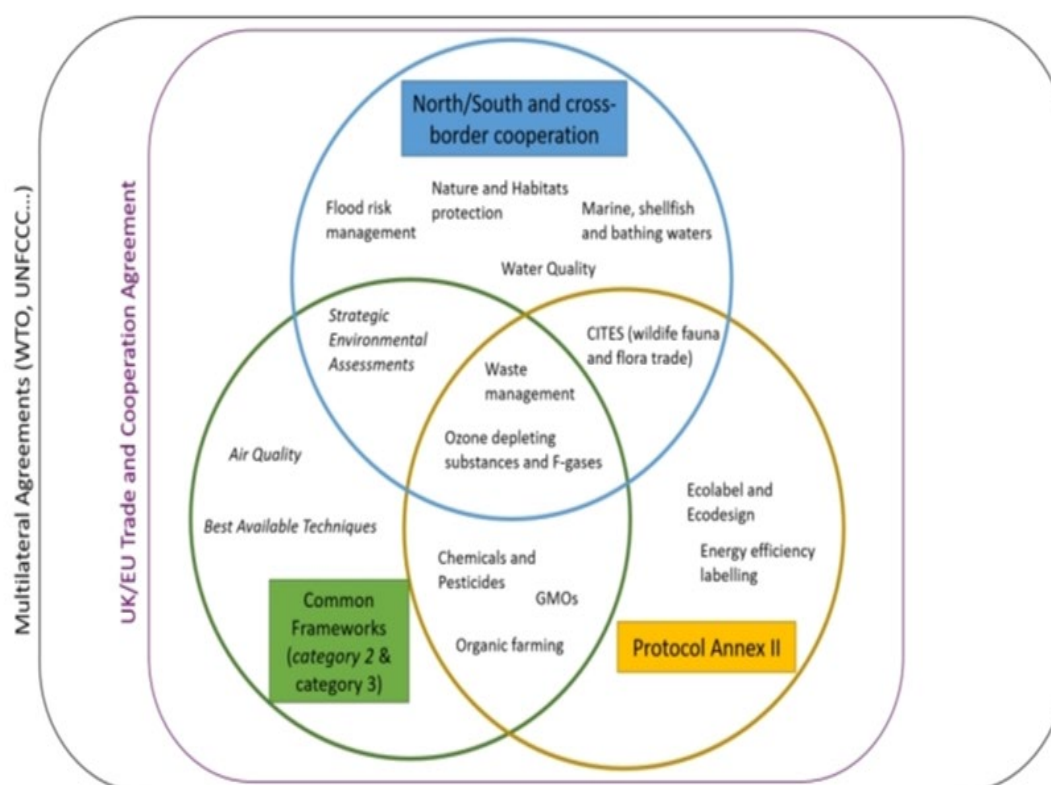
Lisa Claire Whitten (2022) has compared the legal underpinning for areas of cross-border cooperation and trade in the pre- and post-Brexit context. The Protocol’s objectives relating to trade are, perhaps unsurprisingly, found to be more defined and legally enforceable than its objective to maintain the conditions for broader North-South cooperation. Whitten sets out a table in which she identifies what of North-South cooperation is fully, partially or not at all covered by the Protocol (see Annex 2). Those areas of cross-border cooperation not covered by the Protocol include multiple issues, some of which are covered by the TCA but others are not. As noted in Chapter 5, the mutual recognition of professional qualifications remains limited. Educational and academic cooperation is only partially addressed by the Protocol. Substantial environmental and agricultural cooperation mechanisms are absent from the Protocol, partial, or oblique – most notably the management and regulation of water resources, pollution and air quality (see Figure 4). As one expert interviewee noted:

“If we're talking about cross-border sides, we're talking about the habitats in the Birds Directive - that's not covered in the Protocol. If we're talking about international water basins, the Water Framework Directive - that's not in the Protocol...”

The Protocol has environmental stuff in it, but if [we are considering] things that are to do with how you produce goods to put them on the market, it's not covered...

That means that then if we want to keep that North/South cooperation going for the purpose of improving the environment on the island.... We need to think beyond the Protocol.” (Interview 2)

**Figure 4: The post-Brexit, post-Protocol landscape for environmental policy-making in Northern Ireland**



(Source: [UK-EU mapping of North South cooperation](#), [Protocol Annex II and Annex IV](#) and UK Government 2020 [Frameworks Analysis](#) – \*Frameworks in italics are non-legislative, category 2 frameworks and the rest are category 3, legislative frameworks, list of Annex II and IV non-exhaustive).

Source: Gravey and Whitten, 2021

Even the pre-Brexit work of three of the North-South implementation bodies – Waterways Ireland, the Loughs Agency and the Special EU Programmes Body (SEUPB) – can also be viewed as only partially facilitated by the Protocol. This means that, in the future as the UK diverges further from the EU, Northern Ireland legislators will have to consciously continue to align with EU law in areas that are necessary for the proper functioning of the cross-border bodies. This is a difficult task given (a) the fact that cross-border cooperation and alignment with the EU have become more politically contentious post-Brexit and (b) there is currently no functioning Executive and Assembly in Northern Ireland.

## 6.2. Political uncertainties

### 6.2.1. Tensions in key bilateral relationships

The political ramifications of Brexit, and the Protocol, cannot be separated from the main sectoral, strategic and work implications of Brexit experienced by all of the interviewees who participated in this report. Uncertainty – perhaps the key word of this process - strains on resources, and difficulties in long-term strategic planning are all intrinsically linked to the political context of the breakdown of EU-UK agreements and relations, the absence of functioning devolved government in Northern Ireland and

the consequential absence of a functioning North South Ministerial Council (NSMC). Interpretations as to how, and why, this impasse was reached will vary, as will interpretations of the role of other non-Brexit factors in the breakdown in relationships within Northern Ireland, but all can agree that the consequences of the politics of Brexit are central to the challenges faced by many sectors.

Tensions at EU-UK level affect the British-Irish intergovernmental relationship that has underpinned the peace process. And poor British-Irish relations in turn mean worsening relationships between unionists and nationalists in Northern Ireland. From the Brexit referendum onwards, community workers in Northern Ireland have reported Leave/Remain differences as compounding polarisation between communities on the ground. This decline has been uneven, often short-term, and variable across sectors, but has been a repeated theme of many interviewees. Some report there being a consequent retreat from some cross-border networks, agencies and work by unionist representatives and civic groups. One interviewee talked in some detail about these effects: “Before Brexit, by and large, they left their politics at the door”, they say, but since the referendum it has been like “Walking a tightrope”, with “the tension that was simmering all the time”. Such frustration was made all the worse by the recognition of helplessness to improve the situation, “I thought anyway, we’re not going to be able to influence it, you know, at the end of the day”. Now “Brexit has damaged their capacity to work together” (Interview 7).

These political tensions also have implications for local government in Northern Ireland and cross-border local authority collaboration. With some elements of implementation of the Protocol falling on local government in areas of Northern Ireland deeply divided over the issue, there has been evidence of political pressure being put upon local authority agencies to halt this work. The scale of this pressure is contested but, as was noted by one interviewee, this experience places local government officials in the middle of contested political issues, and should be noted when measuring the capacity of local government to manage the impact of Brexit. The capacity of local authorities to complete such contested work, working alongside other Northern Ireland and UK officials, EU officials, business stakeholders and others, is an important consideration which should be kept under review. One interviewee noted the wider context of future uncertainty has effects on regional development more broadly: “we hear about uncertainty affecting the business actor, but uncertainty is also affecting our economic development of a border region as well.” (Interview 5).

### 6.2.2. Institutional paralysis

The Northern Ireland Assembly and Executive has not been fully functional since late February 2022. As a consequence, the North South Ministerial Council (NSMC) has not been able to function for several months either, given the fact that Northern ministers have not been in place to fully engage. The lack of a functioning NSMC is a fundamental impediment to cross-border cooperation and governance. This was illustrated by some of the interviewees:

“the main negative impact for us has been the political instability and the absence of a North South Ministerial Council, because a lot of decision making powers for north-south bodies... resides with the Council. And in the absence of it, our business plans or budgets, staff restructuring...any significant, you know, strategic decisions can't be made by the bodies. So we're kind of in a bit of a limbo at the moment. Our budget remains at the last budget level that was approved by the Ministerial Council, which is 2016. There have been delays in getting our subsequent budgets approved and that has really put an awful lot of strain on us as an organisation where we're dealing with.” (Interview 1)

“And the North South Ministerial Council, as you probably know, is not functioning and for all of our lifetime, probably hasn't functioned for nearly 50% of its time. Frankly, that makes decision making around what we do very, very difficult, because it's a very prescribed operating environment that we work within. So the NSMC and it's non-functioning has obviously been influenced by, you know, the Protocol particularly.” (Interview 4)

The lack of the NSMC is particularly significant for the North-South implementation bodies, for whom the NSMC plays a key role in their governance: appointing board members, updating agendas and objectives, ratifying key strategic decisions and signing-off on budgets. This was explained as follows by an interviewee.

“the major thing, as you know, is obviously we don't have a functioning [NI] Executive as a result of the Protocol. And that has impacted our ability to progress some of our major strategic projects.” (Interview 11)

Even a strategic review conducted and completed under the Shared Island Unit cannot be signed off because there is no minister in Northern Ireland to implement it.

One implementation body interviewed stated, “As an organisation, we need NSMC decisions... it's pretty obvious that the lack of NSMC for us as a cross-border body is an issue.” Another implementation body described the impact of the absence of the NSMC on its operation in such a simple thing as the corporate plan that it must produce every year. Because it is a cross-border body, this plan has to be approved by the sponsoring departments in both jurisdictions.

“So we've given those documents and those plans to the responsible departments... but ultimately they can't be approved until there's a functioning NSMC. Now, as I said, this isn't the first time this has happened, so they have their own protocols arranged to manage that, which ultimately means retrospective approval.” (Interview 4)

Retrospective approval for cross-border corporate plans is obviously not ideal in an environment where there are particular challenges for the cross-border economy and also particular opportunities to be taken.

Another interviewee noted the longer-term importance of the NSMC, in a way that shows that there will be a lasting negative legacy from it not functioning for such a long time.

“And I also think it's important to have the direction of the ministers to have that conversation. The NSMC provided the space for a conversation that involved the different parties here across communities and the Irish government. And it was always a useful conversation to have. And so [without the NSMC] you don't even have that little kind of direction or oversight as well, so I think that's unfortunate.” (Interview 9)

In this way, we can clearly see how the EU-UK relationship, which seems so very high level, can definitely make the situation better or worse in real terms for cross-border cooperation and development on the island of Ireland.

## 6.3. Anticipating a worsening picture

### 6.3.1. Regulatory divergence

There are two broad trends in the post-Brexit governance of the United Kingdom that have ramifications for cross-border cooperation on the island of Ireland. The first is one towards deregulation and divergence from EU law. Where the law being applied in Northern Ireland is reserved to the UK and not aligned to the EU under the Protocol, this in and of itself reduces the degree of commonality in law across the islands. The second is the trend towards the use of delegated powers by government ministers in the UK to make legislation. New legislation which may have profound implications for UK-Irish and North/South divergence could be made by statutory instrument, without consultation, debate, scrutiny or Parliamentary vote. The Northern Ireland Protocol Bill and the Retained EU Law (Revocation and Reform) Bill are examples of these trends becoming manifest in the UK.

The Northern Ireland Protocol Bill was intended to equip the UK Government to take unilateral action to breach the Protocol. It would have given almost unlimited powers to government ministers to create legislation as they see “appropriate” in place of provisions currently covered by the Protocol. The UK Government announced on 27 February 2023 that it was not proceeding with this bill because it was made redundant by the Windsor Framework.

At the time of writing (end February 2023), the UK Government is continuing with the Retained EU Law Bill (REUL Bill). Recognising the complex integration of EU law in the UK after nearly 50 years of membership, the UK Parliament converted EU law into domestic law in bulk to enable necessary continuity after exit day. Some 3,200 pieces of legislation were thus ‘copied and pasted’ into UK law across 21 government departments. The largest amount of these are under the remit of the Department of Environment, Farming and Rural Affairs – reflecting the importance of EU law in this area. The REUL Bill would bring an automatic sunset clause to all that legislation on 31 December 2023. Indeed, it is not just retained EU law that will be automatically expunged but also all EU-derived domestic legislation, i.e. created to give legal effect to EU law when the UK was a member. This means legislation relating to everything from food safety and consumer protection to building regulations and employment rights. What is more, as with the NI Protocol Bill, the Retained EU Law Bill sees a major transfer of powers from the legislature to the Executive. The scale of this automatic expunging of EU-derived and retained law in the UK has ramifications for some of the baseline assumptions behind the TCA negotiations.

We foresee the evolution of an increasingly complicated patchwork of laws applying across the island of Ireland. There will be extreme difficulty for parliamentarians in any forum to keep track of the similarities and differences between the UK and EU and, thus, between Northern Ireland and Ireland. There is a strong and imminent prospect of a substantial increase in complex and divergent legislation, often with implications cutting across jurisdictions. A number of the interviewees explain the implications for cross-border cooperation in very practical areas:

“So for example, in the food safety area, labelling is a huge thing and the rules around that [are complicated]... what is the extent of data that you have to put on the labels? So we were very concerned around that kind of regulatory divergence - if the legislation in one jurisdiction requires one thing and it's quite different from the legislation in the other.” (Interview 1)

The Interviewee notes that this has not yet been manifest but that it remains a live threat: “The hard Brexit hasn't happened and the reality of divergence hasn't yet materialised, but it's still a main concern



of ours" (Interview 1). Another comments on the continual evolution of the Brexit challenge relating to regulatory divergence:

"we still continually keep an eye on that because we're also very aware that you know regulation and deregulation, particularly deregulation, is always [possible]... So we are always very aware that we need to keep our eyes open and aware for those things and then obviously adapt our programmes." (Interview 10)

Such alertness to potential change - and a need to be ready to adjust accordingly - brings pressure on bodies working on a cross-border basis (either North/South or East/West with Britain), across different sectors:

"The potential divergences, coupled with the uncertainty, particularly for businesses in Northern Ireland, will only potentially increase the different levels - and not in a positive sense - of productivity levels North and South. So I think that's the sort of macro economic scenario that we all should be very mindful of." (Interview 10)

Such potential divergence can impede planning in a range of areas of strategic priority. Such complexity makes cross-border cooperation and development in the border region more difficult and thus less likely.

### 6.3.2. The Windsor Framework

The Windsor Framework that was announced on 27 February by UK Prime Minister Rishi Sunak and Commission President Ursula Von der Leyen is an effort to resolve many of the practical and political difficulties that have arisen in relation to the implementation of the Protocol. The UK Command Paper that accompanied the announcement included some explicit acknowledgement that the measures taken to reduce friction on the flow of goods from Britain into Northern Ireland could have consequences for cross-border cooperation. As a result of the Windsor Framework, it stated, 'there is now considerable underlying regulatory divergence North and South'. Such divergence that this new Framework allows for is very specific, e.g., the selling of consumer goods and foods which cannot be transported over the border and which may be banned in Ireland, the potential for VAT and excise rules to diverge, and fundamental differences in alcohol duty structures (which will increase the incentives for smuggling). The Command Paper goes on to say:

"The Government recognises that these changes do create a different legal and practical context on the island of Ireland, with substantial and likely increasing divergence between Northern Ireland and Ireland over time - building, of course on the in-built capacity for divergence in the vast majority of areas outside the Protocol including environmental law, professional qualifications, employment law, procurement, immigration, banking, data, and a wide range of services and other rules."

Cross-border tendering and procurement, for example, is an issue in part because the Protocol and TCA do not include services. One interviewee notes that tendering for business and research contracts in the different jurisdictions has become more complicated. For example, a joint project between Queen's University Belfast (QUB) in NI and University College Cork (UCC) in the South is more challenging and costly now.

"So a lot of what we depend on for our services is a whole area that was not really focused on as part of the [EU-UK] deal. We're beginning to see it is becoming more difficult for northern [NI] firms to tender competitively for services... Do they have to have an Irish base or EU base in order to deliver those? ...It's not a game stopper at this



stage, but you can begin to see small little challenges for us as an outside body.”  
(Interview 1)

Access to data is another issue of concern. It is essential for evidence-based policy- and decision-making. Presently, however, there is no singular all-island data-set for the island of Ireland. While the Census of Population generally happens in the same year in both jurisdictions on a ten-year cycle, there are issues around its comparability and compatibility. While research centres such as the All-Island Research Observatory (AIRO) have worked closely with the respective national census and statistics agencies to investigate solutions in this regard (see Box 13), there currently remains no central government commitment to investing in such a critical infrastructure for all-island and regional development.

The Windsor Framework offers nothing in addition to the Protocol to help address such issues, or reassure that they will not worsen in the future. Indeed, having recognised that the Windsor Framework increases the risks of North/South divergence, the UK command paper states that, in response, the UK Government will enhance market surveillance North-South and ‘strengthen cooperation with the Irish Government to avoid any risks to the Single Market’. This, of course, only goes so far, given that its focus is on protecting the respective internal markets rather than protecting cooperation or enhancing regional development. This is a cause for some concern, and the responsibility of the UK and EU through the Joint Committee under Article 11 of the Protocol to ensure the necessary conditions for North-South cooperation are maintained becomes all the more important.

Following Brexit, there are also concerns about sharing of data under GDPR - on both a sectoral level but also within companies with a cross-border footprint.

“And we had worries that the UK might become a third party under the GDPR. Now thankfully, that hasn't happened. But down the road, if it does, it could pose us difficulties because we obviously would transfer personal data across the border because our pension administrator is Northern Irish based and our employees are based in Cork and Dublin. So there would be a lot of personal data that we do need to transfer up to our Northern Irish pension administrator.” (Interview 1)

“I mean one thing again that's relevant... to the organisations we work with and I know is a concern for academic institutions... is the question around data and GDPR, how data is managed, whether data can be transferred across borders and the need to retain whatever.” (Interview 8)

The context of uncertainty in the post-Brexit landscape of the island of Ireland has been managed to some degree so far by innovation and investment in some forms of cooperation. However, much of this came in response to the anticipated impacts of Brexit, and it built on relationships and dialogue that already existed. As time passes and the focus of Ireland is increasingly on the EU rather than the UK (including Northern Ireland) in terms of policy innovation, networking, resourcing, models of development, etc., cross-border collaboration will become less likely as well as more difficult. This is reflected in a few of the points made by interviewees about the ways in which the context is already changing. These can be summarised in terms of a loss of knowledge, expertise and experience, across different sectors. Here we give examples from civic society, stakeholder networks and local government sectors:

“The turnover of local councillors at the last election meant they lost knowledge and experience [in cross-border cooperation]”. (Interview 7)

“But so there was really a key concern within the environmental groups that there was going to be not just divergence but also losing that knowledge [from across the EU border], losing access to the knowledge.” (Interview 2)

“Turnover of staff in business means expertise and knowledge not being retained on cross-border issues.” (Interview 10)

### Box 33: Developing an All-Island Database

The All-island Research Observatory (AIRO) are part of a group of cross-border and all-island research organisations which emerged in the decade after the 1998 Good Friday/Belfast Agreement. AIRO have been pioneers in exploring ways of working on a practical, mutually beneficial way for the whole island or Ireland. Two excellent examples of this work are the publications of the first edition of The Atlas of the Island of Ireland by AIRO in 2008 which mapped a range of socio-economic indicators across the island, and the second edition in 2015, with its unique presentation of social and economic information from more than 23,000 Small Area Units throughout the island. This second edition was funded by the EU INTERREG IV cross-border programme. Central to its development was the collaborative work undertaken by its technical creator, AIRO, in working alongside the two government statistics agencies, the Central Statistics Office (CSO) and the Northern Ireland Statistics and Research Agency (NISRA), to show how cross-border data – which in many vital areas such as trade, economy and environments remains ill-matched – can be brought together to aid both mutual understandings and coordinated policy making. Through this hard-copy atlas in 2015, and the accompanying on-line digital mapping system, users such as local authorities and policy-makers have access to harmonised and comparative data on population, the labour force, economic activity, education, transport, housing, nationality and ethnicity, religion, health and caring, and affluence and deprivation.

The launch of the 2015 hard-back and digital atlas was a milestone in many ways. Its genuinely all-island nature has proved to be a model for other people in research and public policy areas to follow. The technological advancements that have taken place in data visualisation and spatial analysis in the last ten years now present an incredible opportunity for the dissemination of the results from Census 2021 in Northern Ireland and Census 2022 in the Republic of Ireland. Such harmonised data would be a critical evidence-base to local and regional government in the development of future-proofed policies across a broad range of sectors.

## 6.4. The EU Framework (2021-2027)

### 6.4.1. The new context for Cohesion Policy

Under the EU Cohesion Policy for 2021-2027, Ireland is to receive €1.4bn. The Partnership Agreement (2022) between the European Commission and Ireland sets out Ireland's focus under the four of the five Cohesion policy objectives (POs) as well as that relating to Just Transition. Under the Partnership Agreement, Ireland emphasised its commitment to adopting a 'place-based approach'. Meanwhile, the UK has opted out of the ERDF programmes for 2021-2027 (including the INTERREG, URBACT and ESPON programmes) as well as Horizon Europe and Erasmus+ programmes. This has implications for the research agendas of universities and research centres and for existing North/South and East/West collaborative partnerships involving academia, business and environmental pillars. It also negatively impacts wider evidence production and knowledge sharing.

The four Future Cohesion POs to which Ireland has committed to action are:

PO1. A smarter Europe – innovative and smart economic transformation.

PO2. A greener, low-carbon Europe, and

PO4. A more social Europe – implementing the European Pillar of Social Rights

PO5. Europe closer to citizens – sustainable and integrated development of urban, rural and coastal areas through local initiatives.

It has also committed to the additional PO of 'Enabling regions and people to address the social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement'.

### 6.4.2. Regional connectivity and competitiveness

"The Regional Spatial and Economic Strategies (RSES) for different regions in Ireland, such as the Eastern & Midland, Southern, and Northern and Western Regions, have identified the development of research and innovation capacity as a key strategic outcome." (Partnership Agreement, 2022: 5),

For Ireland, the PO on a 'A more competitive and smarter Europe' places a strong focus on the development of 'innovation capacities' and the 'uptake' of advance technologies among Higher Education Institutions; Technological Universities; and Research and Development and Innovation. Regional competitiveness in Ireland has sizeable differences and significant productivity gaps remain between lagging domestic firms and highly productive multinational companies. As the Partnership Agreement (2022, 4) noted, the Independent Needs Analysis for ERDF and ESF+ in Ireland 2020 identified the need for "supports to increase collaboration between industry and the higher education sector, and measures to promote Smart Regions/Innovation Districts".

The main aim of this policy is to invest in 'Smart Specialisation' in relation to developing 'stronger regional innovation ecosystems that promote innovation diffusion, enterprise innovation and entrepreneurship' (Partnership Agreement, 2022, 17). This is already a priority for the regions and has been explored using INTERREG funds. Building on this, Ireland's Smart Specialisation Strategy (S3) takes a regional approach to addressing the country's RD&I challenges and provide support and planning for regional and national objectives. A key area identified is to address the regional differences in the research and development intensity (at present, for example, there is a start-up

culture within Dublin, with one developing in Cork). Ireland has low R&D investment which is a concern in relation to the ambition of developing strong cross-region Research and Innovation capacities.

#### 6.4.3. Net zero

The second PO focused on 'A greener, low-carbon/net zero carbon economy and resilient Europe' aims to address climate change and acknowledge that Ireland needs to 'accelerate' its climate change aims and objectives. Ireland's Climate Action Plan 2021 highlights the role of European Structural Funds in supporting a greener, low-carbon Europe (Partnership Agreement, 2022, 6). Under ERDF funds, there is a commitment to "improved energy efficiency, lower greenhouse gas emissions and reduced risk of energy poverty arising from renovations to owner-occupied residential homes of lower income households" (Partnership Agreement, 2022, 17). In addition, funds under the European Maritime, Fisheries and Aquaculture Fund (EMFAF) will support increased energy efficiency and use of renewables across the seafood sector, and support innovation in technology and processes to reduce environmental impact while enhancing efficiency (Partnership Agreement, 2022, 17) while also protecting marine biodiversity and addressing marine litter, supporting coastal communities in developing skills and diversification into the blue economy, and increase data around the marine environment.

#### 6.4.4. Employment and skills

Under PO 4, 'A more social and inclusive Europe', the ESF+ Programme in Ireland will prioritise improving access to employment, especially for disadvantaged groups, in line with EU, national, and regional strategies. The "ESF+ Programme will seek to deliver on the European Pillar of Social Rights Action Plan and contribute to Ireland's progress on its national headline targets" (Partnership Agreement, 2022, 17-18). These include (1) an employment rate of 78.2% by 2030 through labour market training, activation measures for all jobseekers with a focus on younger workers, and those underrepresented in the labour market; (2) achieving adult participation in learning of 64.2% by 2030, through measures to support upskilling and access to education – with a particular focus on areas such as green and digital skills; (3) increasing participation of disadvantaged groups and increasing capacity to meet the needs of learners from diverse backgrounds - this includes increasing participation in lifelong learning; and (4) achieving an at risk of poverty and social exclusion rate of 16.7% by 2030 through a variety of social inclusion measures aimed at disadvantaged groups.

The Partnership Agreement also notes that, in addition, food and basic material assistance will continue to be of importance for the most marginalised groups and will be delivered through local partner organisations to those most in need (p.18). Under this PO, an emphasis will also be placed on increasing basic literacy, numeracy, and digital skills. This is critical with the growing emphasis on digitalisation of the economy and service delivery.

#### 6.4.5. Integrated development

Under PO5, 'A Europe closer to citizens' funding under the ERDF and EMFAF will support a range of measures aimed at fostering integrated, sustainable and inclusive social, economic and environmental development, culture natural heritage, sustainable tourism and security in urban areas' (Partnership Agreement, 2022, 18). Supported actions will be targeted towards key towns and regional growth centres in the two NUTS2 regions; with ERDF supporting initiatives focused of urban regeneration, place-making, vacancy and dereliction. Complimenting this, the EMFAF will "enable a sustainable blue economy in coastal areas and fostering the development of fishing and aquaculture communities through a Community Led Local Development via Fisheries Local Action Groups. This will ensure a climate-smart, environmentally sustainable coastal economy, enabling innovation driven by

technology and talent in coastal communities” (Partnership Agreement, 2022, 19). In addition, measures under PO5 can support implementation of the Housing for All policy, including using ERDF to address dereliction and vacancy in towns.

This PO strongly supports the core objectives of Project Ireland 2040 which provides a policy and planning framework for the social, economic, and cultural development of Ireland, with a capital investment plan for 2021-2030 and regional strategies for balanced regional development.

#### 6.4.6. Just Transition Fund

The EU Just Transition Fund (JTF) aims to enable regions and people to address the social, employment, economic, and environmental impacts of the transition towards the Union's 2030 targets for energy and climate, based on the Paris Agreement. Ireland has identified several operations that could support the objectives of the European Green Deal, including modernising the business environment and creating employment opportunities in renewable energy and low carbon sectors. The JTF could also enhance the skills profile and promote environmental sustainability, leveraging tourism, culture, and heritage. The thematic scope of the JTF intervention will be decided in the context of the territorial just transition plan, with coordination between the Cohesion Funds to ensure consistency and alignment between the funds.

The 2020 European Semester Report for Ireland identifies the impact of climate transition in the Midlands region, particularly for workers in the electricity-generating industry (see Map 10).

The 2019 Climate Action Plan and National Energy and Climate Plan 2021-2030 commit to delivering a just transition for workers affected by the ending of peat harvesting for power generation in the Midlands region. The Midlands region has higher poverty and unemployment rates than the national average, low education completion rates, and high CO<sub>2</sub> emissions per head from power and industry sectors. Ireland is set to receive up to €84.5 million from the EU Just Transition Fund over the period to 2027. With the Government of Ireland’s match funding using Exchequer resources, up to €169 million will be available. The Eastern and Midlands Regional Assembly will have overall responsibility, as Managing Authority, for the implementation, management, monitoring and evaluation of the programme.

**Map 10. The Just Transition Region in Ireland**

Source: <https://emra.ie/eu-jtf/>

**6.4.7. EU Funding – INTERREG**

As one would expect, the new INTERREG programmes reflect closely the Cohesion Policy Objectives for 2021-2027 (see Table 5) and, with the exception of the discontinued Ireland-Wales programme, also those of the previous programming period (see Chapter 2). This highlights the critical and long-term nature of the issues facing Europe and the importance of collaborative action in knowledge sharing, piloting solutions and generating an evidence base.

**Table 5: Overview of INTERREG Programmes involving Ireland, 2021-2027**

	<b>Total Budget (€m)</b>	<b>ERDF Contribution (€m)</b>	<b>Co-financing Rate</b>	<b>Priorities</b>
Atlantic Area	185	140	75%	<ol style="list-style-type: none"> <li>1. Blue Innovation and Competitiveness</li> <li>2. Blue and Green Environment (Greener)</li> <li>3. Blue Sustainable Tourism and Culture</li> <li>4. A Better Governance for Cooperation</li> </ol>
Northern Periphery & Arctic	46	39	65%	<ol style="list-style-type: none"> <li>1. Innovation Capacity</li> <li>2. Climate Change and Resources Sufficiency</li> <li>3. Cooperation Opportunities</li> </ol>

North West Europe	310	287	60%	<ol style="list-style-type: none"> <li>1. Climate and Environment</li> <li>2. Energy Transition</li> <li>3. Circular Economy</li> <li>4. Innovation and Resilience</li> <li>5. Inclusive Society</li> </ol>
Interreg Europe	470	359	80%	<ol style="list-style-type: none"> <li>1. A Better Cooperation Governance</li> <li>2. A Safer and More Secure Europe</li> </ol>

Source: Adapted from Interreg Atlantic Area 2021-2027; Interreg Northern Periphery and Arctic 2021-2027; Interreg North-West Europe 2023-2027 Programme Manual; and Interreg Europe 2021-2027 Programme Manual.

#### 6.4.8. The conclusion of the Ireland-Wales INTERREG Programme

The Ireland Wales INTERREG programme has been discontinued following the 2014-2020 programming period. This is a direct result of Brexit and the UK's decision to withdraw from EU cohesion policy. It is worth assessing the degree of disruption that will be caused by the loss of this programme.

Core policy aims of the INTERREG Ireland-Wales programme included tackling and addressing a reduction in unemployment; the expansion and promotion of social inclusion; the development of a green economy and the improvement of transportation infrastructure. These areas were bolstered by the interlinked policy networks which supported regional and national bodies towards joint cross-border desired outcomes. Regional and planning institutions within Ireland and Wales were active participants in this programme, aware as they were of the clear benefits of the INTERREG funding and support to solve systemic issues based around the Irish Sea. Deciding to pursue common interests connected to economic growth and shared cultural identity in the European framework was a strategic choice. Reflecting on the conclusion of the programme, implications include

- The obvious one is the loss of EU funding directly benefitting the South/ East Ireland;
- Loss of well-developed partnerships/ trusted relationships;
- Loss of research opportunities that directly benefit SMEs, communities, etc.;
- Loss of sharing knowledge & expertise & working models of practice; and
- Lost opportunity to build on the collaboration capital which has been built up over 30 years of co-operation to deal with issues around the Irish sea such as the transition to low carbon, off-shore renewables, blue economy, etc.<sup>15</sup>

These are reflected by Lagana and Wincott (2022) who contend that future cross-border strategies should be built upon the influential engagement mechanisms and policy networks institutionalised by the Ireland-Wales programme. They noted that the value of the Ireland-Wales cross-border regional work was based on the development and resourcing of policy networks, which were able to present key ideas to different committees and agencies to present on the ground information. Indeed, the bottom-up approach within these regional programmes offered great potential for people living in the eligible area to be heard and be part of the development process.

A particular success in the INTERREG Ireland-Wales programme was cooperation between the Southern Regional Assembly in Ireland and the Welsh European Funding Office. It was assessed that INTERREG provided a boost in resources for administrative and organisational capacity to support the shared objectives that would be difficult to replace. More broadly, one of the interesting overall findings of the

<sup>15</sup> Written communication from regional actor on the closure of the programme, 1 March 2023.



Interreg Ireland-Wales 2014-2020 analysis was the level of policy learning that was taking place in the European territorial cooperation arena; with Lagana and Wincott (2022) going on to argue that any future cross-border arrangement should include mechanisms for combining different funding streams, cross-border coordination and links to EU programmes and networks.

This is more evident within the Ireland Wales Shared Statement and Joint Action Plan 2021-25, which builds on similar priorities from the INTERREG programme; including Climate and Sustainability; Trade and Tourism; Education and Research; Culture, Language and Heritage; Communities, Diaspora and Sport - albeit with a new focus also on Political and Official Engagement. This is a welcome development, with scope to expand the focus of this relationship over time.

#### 6.4.9. EU Funding - The Importance of PEACE PLUS

While Brexit has the potential to accelerate the fragmentation between regions and between places, the PEACE PLUS programme, with its budget of €1bn (2021-2027), demonstrates the willingness and ability of Cohesion Policy to respond to Brexit. As Brexit has yet to fully play out, it will be incumbent on Cohesion Policy to remain flexible and pivot, to the extent possible, to take account of the effects of Brexit - both positive and negative.

For the Irish border region, incorporating the regions of Northern Ireland, Northern and Western Region and Eastern and Midlands Region, attention now turns to PEACE PLUS which represents a further evolution of the Peace programme and whose design has been strongly influenced by Brexit (see Figure 5). Bringing together the previous Peace and INTERREG funding strands into one programme, PEACE PLUS will strengthen peace and reconciliation and cross-border cooperation between Ireland and Northern Ireland. The unique value of the continuity of the PEACE programme was recognised by one interviewee:

“But the significance of that programme [PEACE PLUS] in providing both a funding stream and a context for cross-border cooperation to continue post Brexit cannot be overstated. So it's really significant in terms of a funding stream... that continuity... that kind of identifying of ways in which cross-border cooperation can continue and develop would be really significantly hindered [without it]. So that is a fundamental support to cross-border cooperation and to the Good Friday Agreement for the next seven years.” (Interview 12)

Under PEACE PLUS, Theme 6 (Building and Embedding Partnership and Collaboration) is particularly significant for regional development. The Strategic Planning and Engagement Programme will support the engagement of strategic stakeholders targeting legal and administrative obstacles to cooperation in relevant sectors. This could include known - and indeed yet unknown - obstacles arising from the implementation of Brexit and also COVID-19.

**Figure 5. The themes and investment areas of PEACE PLUS**

Source: SEUPB, 2022

The funding will focus on enabling joint development and management of strategies; cooperation capacity building; and identification of solutions to reduce obstacles to cross-border cooperation. The SEUPB highlight a focus on a number of specific sectors - many of which are core to this report:

“Support to identify key obstacles and unused potential (examples include cross-border labour market hindrances, health care, transport connections, tourism, energy, and issues related to the legacy of the conflict.”(SEUPB, 2022, 53).

Critically for effective regional development, this theme specifically notes the importance of bringing relevant actors together to address the obstacles facing the region - including authorities at national, regional and local levels, voluntary and community sectors, enterprises, stakeholder networks, etc. and in supporting cross-border entities such as the cross-border local authority networks like East Border Region and partnerships in specific territories such as that between Donegal County Council and Derry City and Strabane District Council in the North West (SEUPB, 2022, 53).

There is also a recognised need to examine cross-border data deficits and support projects to fill the gap in the context of its vital nature in future cooperation (SEUPB, 2022). As has previously been highlighted, there are ongoing issues around data comparability and compatibility across both jurisdictions on the island of Ireland, resulting in there still being no definite all-island data-set - despite efforts by a number of research centres to address this over the past fifteen or so years.

#### 6.4.10. Enabling future engagement

In light of the political, economic and regulatory uncertainties for Northern Ireland, the structures and means of engagement between the region and the EU is as important as those with Ireland. A number of our interviewees stressed the difference to be made by having clear channels for communication and relationship building with Northern Ireland, not least given the impact of the Protocol but also the broader objectives of regional development across the island.

“I think there is great value in ensuring that people in Northern Ireland feel that they have a channel into thinking at European Union level. Whether that means engagement with the Commission or with Parliament or with the Council is in some ways immaterial. But there is an importance in making it very clear that the opinions and perspectives of the people here on the ground across the border region actually matter and are informing the approach that the EU is taking to its policy development.” (Interview 8)

“I do think one of the things is that they could provide maybe a little more structured, formal interaction between Northern Ireland and the EU. And for ...an ‘on the ground voice’ so that the EU could be better informed about what’s actually happening here.” (Interview 9)

This serves as a reminder that the EU-UK agreement over the Protocol does not just affect Northern Ireland but has ramifications for the whole of the island.

“So resolution, if you like, of the Protocol issues I think shouldn’t be an end point. It should be a starting point to saying, ‘now how do we continue to develop the relationship between the EU and the UK?’. Finding ways to do that I think are really, really significant for Ireland.” (Interview 12)

## 6.5. Policy recommendations

### 6.5.1. Regional

The island of Ireland has benefited significantly from EU membership over the past fifty years. However, some regions continue to lag behind - as evidenced by the downgrade of the Northern and Western Region from a 'More Developed Region' to a 'Transition Region' under the current programming period<sup>16</sup>. Brexit is resulting in economic uncertainty and there are fears that already deprived areas will see a further decline in economic and social indicators within their communities. As regional development in practice does not always adhere to administrative boundaries or jurisdictional borders, instead operating to functional territories, the balanced and sustainable development of this island's regions are inter-twined with each other. Divergences in regulation, legislation and policy would have serious ramifications.

- Once Brexit has been finalised, there is a case to be made for convening a multi-stakeholder symposium to consider a long-term vision for the regions of the island of Ireland up to, for example, 2045. Similar to the EU's recent 'a long-term vision for rural areas', this would identify areas of action towards stronger, connected, resilient and prosperous regions and communities, including on a cross-border basis. Any such vision would need to be accompanied by a dedicated fund, possibly using the European Neighbourhood Instrument, to deliver on the resulting vision.
- Greater commitment is needed to scoping out and developing the potential of emerging economic corridors such as the Dublin-Belfast Corridor (with potential links to Cork) and the Atlantic Economic Corridor stretching from Derry to Cork. Both are currently being 'scoped-out' by their respective local authorities. In addition to these North-South corridors, there is a need to consider how these are interconnected on an East-West axis.
- The regions are each demonstrating a high degree of innovation and inclusivity in terms of how it is untapping the potentiality of the region - the Southern Region through its 'Smart Region Initiative' and the North West through its North West Strategic Growth Partnership with both Governments on the island. These need to be further researched and promoted as models of good practice.

### 6.5.2. Institutional

The absence of a functioning devolved government in Northern Ireland and the consequential absence of a functioning North South Ministerial Council is challenging, not least in effectively responding to ongoing uncertainties around Brexit and concerns around emerging and potential North-South and East-West divergence - regulatory and policy. Any such divergence will only further heighten tensions between Ireland-UK and EU-UK.

- The role of the EU in the negotiations to date is widely valued and acknowledged; with interviewees noting a "clear value in EU institutional engagement in NI" (Interview 8) and expressing a clear wish that this continues.

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<sup>16</sup> This was due to the fact the region's GDP per head of population averaged at 82% of the EU 27 average during the Commission's latest evaluation period (2015-2017). More up to date data released by Eurostat (February 2022) has shown the region's GDP per head of population performance relative to the EU27 average continued to decline up to the end of 2020, to the point where the region's GDP per head of population was estimated to be 71% of the EU average (Partnership Agreement, 2022, 32).

- There is a strong case for better utilising the institutions of the Good Friday/Belfast Agreement, across its three strands, to meet the challenges that are being posed by Brexit.
- There is an identified need for an information portal on Brexit that is politically neutral and gives clear guidance on decisions made, what that actually means, envisaged changes, and how to prepare for same.
- There is a growing need for an all-island data-base covering data as it relates to the economy, health, education, demographics, connectivity, supply chains, etc. This is critical infrastructure for evidence-informed decision-making.

“the investment in all island infrastructure has to be significantly scaled up and delivered. That's one of the biggest challenges to underpin all this potential.”  
(Interview 3)

### 6.5.3. Financial

It is acknowledged that for many regional and local agencies, funding of trans-boundary activities, including cross-border partnerships, within their current budgets is not an option. Yet, given the ongoing uncertainty over the impacts of Brexit, it is critical that such collaborations continue to be supported. This is particularly necessary for local government and civil society. It is also critical that bandwidth be built into any future resources to ensure that new partnerships, nurtured around emerging issues, can be facilitated.

While the commitment of the Irish Government under the Shared Island Initiative to investing in the all-island agenda, is both timely and a welcome boost to delivering on hard infrastructure and building social capital, this cannot be considered a long-term solution.

- With the conclusion of funding programmes such as INTERREG Ireland-Wales, there is a need for long-term funding solutions to be identified which support inter-regional development and enable capital investments while also nurturing the Peace Process and positive community relations.
- The confirmation of the PEACE PLUS programme is key to the immediate continuity of cross-border funding and relationships. It will be critical that a degree of flexibility is built into the programme to address any unforeseen impacts of Brexit over this programming period.
- The Strategic Planning and Engagement Programme under PEACE PLUS is a welcome addition to the programme, complimenting project specific funds with that geared towards the development and management of longer-term innovations and strategies. Continued supports for such innovation thinking should be considered in any future fund supporting regional development on the island of Ireland. This is considered particularly important in the context of potential new, but divergent regulatory borders coming into play as new structures, regulations and law emerges.

### 6.5.4. Collaborative

There are still significant concerns regarding citizen rights, freedom of movement and diminishing community relations - with some signs of strain already evident - as a result of Brexit.

- There is a clear need to continue to sustain cross-border relationships, vital to which has been the Peace programmes and the work of the International Fund for Ireland.

This has been critical to building and sustaining the Peace Process. Following the conclusion of projects under PEACE PLUS in 2027 (plus any additional close-out times), this need will not have evaporated. A new mechanism will be required to deliver on this commitment post-2027.

- For a range of agencies, dealing with Brexit and its implications will become part of the day-to-day operations. This will have resource implications. The impacts of Brexit to date have been negated by the strength of the existing partnerships in place - whether formal or informal. While they have absorbed the resource implications of this, thus far, this is not a sustainable model, particularly for civil society groups and local government. As well as continuing to support these bodies in their critical role, it is also clear that Brexit will both encourage and necessitate the need for new relationships/new collaborative structures to be established.

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## ANNEX 1: SCHEDULE OF INTERVIEWS AND FOCUS GROUPS

### Individual Interviews (on-line)

	Organisational Background
Interview 1	North/South Body
Interview 2	Stakeholder Network
Interview 3	Stakeholder Network
Interview 4	North/South Body
Interview 5	Local Government Network
Interview 6	Local Government
Interview 7	Local Government Network
Interview 8	North/South Body
Interview 9	North/South Body
Interview 10	North/South Body
Interview 11	Local Government
Interview 12	North/South Body
Interview 13	Stakeholder Network

### Focus Groups (on-line)

	Maecenas
Focus Group 1	Cross-Border Civic Society
Focus Group 2	Environmental Sector



## ANNEX 2: THE NORTH/SOUTH MAPPING EXERCISE (2017)

### List of North-South cooperation identified as being relevant to the 1998 Agreement

	<b>Implementation bodies</b>
1	Special EU Programmes Body
2	Foyle, Carlingford and Irish Lights Commission (Loughs Agency)
3	Food Safety Promotion Board (SafeFood)
4	Waterways Ireland
5	North-South Language Body (The Ulster Scots Agency and Foras na Gaeilge)
6	Trade and Business Development Body (InterTradeIreland)
7	North South Implementation Bodies - Cross cutting operational Issues
	<b>Agriculture</b>
8	Discussion on CAP issues
9	Safe use and disposal of animal by-products/ TSE management / rendering capacity
10	Cooperation on disease eradication programmes e.g. Tuberculosis (TB), Aujeszky's disease
11	Animal Health including Epizootic diseases
12	Equines
13	Plant Health and quarantine pests
14	Forest management and development
15	Rural development
16	Dairy international trade working group
17	Invasive Alien Species
18	Farm Safety
19	Agricultural Education
20	Movement of companion and farm animals
21	Cooperation on Products of animal origin
22	Exchange of Information on veterinary medicines
23	Pesticides
24	Timber
25	Veterinary public health and trade meetings
26	Informal cooperation on agri-food policy issues
27	Cooperation on the safety of the animal feed chain



	<b>Environment</b>
28	Environmental protection reporting and research
29	Water quality management in a cross-border context
30	Waste management in a cross-border context
31	Work Programme agreed by Ministers in September 2016: sustainable development; waste/water management; cooperation and exchange of information on marine/bathing/shellfish waters and water sewage services; circular economy; and tackling environmental crime
32	Nature/biodiversity, including habitats and birds
33	All-island pollinator plan
34	All-island marsh fritillary group
35	Flood risk management
36	Lough Erne water level agreement
37	Strategic environmental assessments; environmental impact assessments; appropriate assessments
38	Northern Ireland Water/ Irish Water knowledge sharing
39	Mapping data
40	Geodetic network
41	Radiation
42	Wildfire initiatives
43	All-island fracking
44	All-island air quality research: Residential Solid Fuel and Air Pollution
45	River basin management
46	Wildlife trade including CITES
47	Fluorinated gases
	<b>Transport</b>
48	Strategic Transport Planning: national road network
49	Strategic Transport Planning: rail network
50	Cross-border bus services
51	Sustainable transport
52	Alternative fuels infrastructure, including electric vehicle charge point network
53	Coordination of transport aspects of EU cross-border programmes, including those funded through INTERREG and/or TEN-T

54	Strategic Transport Planning: cross-border projects
55	Road and rail safety
56	Road and rail safety reporting and information systems, including mutual recognition of driving disqualifications, penalty points
57	Rail standards, certification and licensing
58	Road and rail safety: Cooperation between the railway inspectorates North and South
59	Road haulage operator, licensing and qualifications
60	Operation of cross-border taxis
61	All Ireland free travel scheme for senior citizens
62	Recognition of driving licences and disqualifications
63	Motor insurance
64	Vehicle registration
65	Ferries
66	Blue badges
	<b>Health</b>
67	Cross-border service provision, including hospital services such as primary percutaneous coronary intervention services in Altnagelvin, Derry
68	North West Cancer Centre
69	All-island congenital heart disease network
70	Cooperation and Working Together (CAWT)
71	Workstreams on child protection
72	Health protection and promotion (including addressing alcohol misuse, tobacco control, ECDC, and public health alerts)
73	Major emergencies and emergency services cooperation, including Cross Border Emergency Management Group
74	Organs for transplantation
75	Blood
76	Tissues and cells
77	The Institute of Public Health in Ireland
78	Controlled drugs licensing group
79	All Ireland Institute of Hospice and Palliative Care (AIHPC)
80	Human Milk Bank
81	Cross-border GP out of hours service

82	Mutual recognition of prescriptions
83	Continuity of supply of medicines (including radiopharmaceuticals) and devices
84	Serious cross border threats to health (health security)
85	Disease surveillance and ERNs pertaining to the diagnosis and management of rare diseases
86	ENT Cooperation
87	Clinical trials and Joint Health research
88	Disability Services (aids, appliances, training, cross-border residential placements)
	<b>Tourism</b>
89	Tourism Ireland Limited
90	Hosting major cross-border events
	<b>Education</b>
91	Education for children with special needs, including Middletown Centre for Autism
92	Educational underachievement
93	School, youth, and teaching exchanges
94	Cross-border movement and cooperation for pupils and school staff
95	Cooperation between the Inspectorates
96	Psychological services
97	North-South Teacher Qualifications working group (NSTQWG)
98	School planning and development
99	North-South Education and Training Standards Committee for Youth Work (NSETS)
100	North-South youth exchanges, including the Causeway programme
101	Recognition of school-based/state-accredited examinations
	<b>Energy</b>
102	Wholesale Electricity Market (Single Electricity Market)
103	Gas security of supply
104	Oil resilience planning
	<b>Higher and further education</b>
105	Cross-border provision of apprenticeships
106	Cross-border movement of students
107	Staff mobility
108	Skills provision and FE/HE link to the local economy

109	Cross-border partnerships between Higher and Further Education Institutions, including SFI investigators programme and SFI partnerships
110	Research and development, including through Horizon 2020
111	Higher and further education in agriculture, equine, and horticulture disciplines
	<b>Telecommunications and broadcasting</b>
112	Irish language broadcasting
113	Mobile roaming
114	Spectrum
115	Subsea cables
	<b>Sport, art, and culture</b>
116	Sport governance
117	Major events
118	Horse racing
119	Greyhound and pigeon racing
120	Motorsport road safety promotion
121	Health promotion
122	National museums
123	Libraries
124	Development and promotion of the Arts (in Northern Ireland, Ireland and abroad)
125	NI Screen
	<b>Justice and security</b>
126	Intergovernmental agreement on criminal justice cooperation, including public protection project advisory group; victims and survivors services project advisory group; forensic science project advisory group; youth justice project advisory group; and criminal justice and social diversity project advisory group
127	Mutual legal assistance in criminal matters
128	Intergovernmental agreement on police cooperation, including protocols for police cooperation and cross-border secondments and eligibility for posts in policing
129	Northern Ireland Related Terrorism threat
130	Multi-agency cooperation on fuel fraud
131	Multi-agency cooperation on organised crime and drugs
132	Extradition/Surrender, including the European Arrest Warrant
133	Access to shared law enforcement information systems

134	Criminal asset seizure
135	Transfer of prisoners
136	Civil judicial cooperation
137	Other aspects of criminal justice cooperation
138	Joint investigation teams
	<b>Inland Fisheries</b>
139	Fisheries liaison group
140	Salmon stocks
141	Eel stocks on the Erne
142	Fish health and aquaculture
143	Voisinage Agreement
	<b>Other areas</b>
144	EURES Cross Border Partnership
145	Benefit fraud cross-border cooperation
146	Spatial Planning
147	Enterprise Ireland, InterTradeIreland, INI and other enterprise development agencies cooperation to promote enterprise development and job creation through enhanced innovation, competitiveness and trade
148	National Traveller Accommodation Consultative Committee
149	Public Service Reform
150	All Island Public Procurement Steering Group
151	Obstacles to Cross Border Mobility (Border People Project)
152	All-Island Local Authority Forum
153	Local authority led cross-border engagement
154	North West Gateway Initiative / North West Development Fund
155	North-South Senior Officials Group on implementation of Section E infrastructure
156	Cooperation between the CSO and the NI Statistics and Research Agency



## ANNEX 3: THE PROTOCOL – THE DEGREE TO WHICH IT COVERS CROSS-BORDER COOPERATION AREAS

As identified in the 2017 Mapping Exercise

COVERED	PARTIALLY COVERED	NOT COVERED
Food Safety Promotion Board	SEUPB; PEACE IV programme; INTERREG funding	Child protection
Cooperation & Working Together	Biodiversity	Commercial vehicle roadworthiness enforcement & concerted checkpoints
Tuberculosis (TB) & Brucellosis (BR) Working Group	Border People Project	Vehicle and driver safety checks
Organs and Tissues	Loughs Agency; Waterways Ireland	Cabotage
Movement of medicines, devices, and healthcare goods	Cross-border Enterprise Rail Service	Motor Insurance
North-South Dairy International Trade Working Group	Operation of cross-border taxis	Driver and Vehicle Licensing
Convention on International Trade in Endangered Species	Major emergencies and A&E planning cooperation	International Authorisations for bus & coach services
Fish health & aquaculture	North-West Cancer Centre; All-Island Congenital Heart Disease Network; Middletown Centre for Autism Ltd	Ferries
Management of eel stocks on the Erne	Mutual Recognition of professional qualifications for doctors & clinicians	Road Haulage
Single Electricity Market	Export Licensing Controls (dual-use goods, military goods)	Water pollution and water catchment work; Water quality; Water regulation
Chemicals Regulation	Teacher qualifications & professional development	Common Agricultural Policy
Invasive Alien Species; Control of Epizootic		All-Island Pollinator Plan
		Air quality issues
		Strategic Environmental Assessment

Diseases DAERA/DAFM Equine Liaison Group Equine Industry Strategy Veterinary public health and trade meetings North-South Working Group on Veterinary Medicines Regulation and enforcement of animal health and welfare & public health legislation Fuel Fraud; Firearms, Offensive Weapons Checks on Civil Explosives National Museums North-South Cooperation; Cultural Goods Non-commercial movement of Pets Customs (including data-sharing) Market surveillance of goods; Excise Fraud Checks on Intellectual Property Rights Import Licensing Controls Relief from safety and security declarations Waste Management [i] Mutual Recognition of AEOs; Transit of Goods; Road Network; VAT – Information Sharing	Plant health & regulatory checks for quarantine pests; Transmissible Spongiform Encephalopathies & Animal By-Products Animal health & welfare working groups Checks on third country products of animal origin; Checks on products of animal origin Checks on Live animals Checks on food not of animal origin Waste Management [ii] Natural Gas Road network Intertrade Ireland Engagement & Information Exchange DAERA & DAFM Invest NI & Enterprise Ireland cooperation Environmental protection reporting and research Sport; Statistics Cross-border academic partnerships (in agriculture)	River Basin Management Plans Flood Risk Management Habitats and Wild Birds Directive All-Ireland Marsh Fritillary Group EU LEADER cooperation EURES Cross Border Partnership Benefit fraud cross-border cooperation Irish Language Broadcasting Mobile Roaming Cross-border cooperation on criminal justice matters (including work of Organised Crime Task Force) All-Island Public Procurement Steering Group Landscape Monitoring
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Source: Whitten, 2022



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The UK Withdrawal Negotiations raised awareness about the positive effects of European integration on regional development and cross-border cooperation in Ireland – and their vulnerability to Brexit. This report explains and evidences the impact of Brexit – anticipated, actual and potential – in this unique case study. Its focus is on non-trade related matters, including administrative, environmental and cultural, particularly as managed at local and regional levels. In light of these, it makes recommendations for future territorial cohesion and regional development in Ireland.

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