European Parliament

2019-2024



Committee on International Trade

20.10.2022

MISSION REPORT

following the INTA delegation to Belfast, Northern Ireland, the United Kingdom, from 13 to 14 October 2022

Committee on International Trade

Members of the mission:

Bernd Lange (S&D) (Leader of the mission, INTA

Chair)

Seán Kelly (PPE, INTA UK Rapporteur)
Nathalie Loiseau (Renew, Delegation to the EU-UK

Parliamentary Partnership Assembly

Chair)

Sven Simon(PPE)Inma Rodríguez-Piñero(S&D)Barry Andrews(Renew)Ernő Schaller-Baross(NI)

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Introduction

Committee on International Trade ("INTA") ad hoc delegation to Belfast, Northern Ireland, the United Kingdom ("UK"), on 13-14 October 2022 has been the first official European Parliament's parliamentary committee ad hoc delegation to Northern Ireland (and the UK), since the UK's withdrawal from the European Union ("EU") on 31 January 2020.

The delegation took place in a hopeful atmosphere, in the light of 30 September 2022 announcement by Commission Vice-President Maroš Šefčovič and the UK Foreign Secretary James Cleverly that bilateral talks regarding the implementation of the Protocol on Ireland and Northern Ireland ('Protocol') would restart, after the long hiatus that followed the Joint Committee of the Withdrawal Agreement meeting of 21 February 2022.

The INTA committee has been following closely EU-UK's evolving trade relationship since the withdrawal of the UK from the EU procedure started, under the UK's Withdrawal Agreement and especially the Protocol, as well as the EU-UK Trade and Cooperation agreement ('TCA'). On 21 March 2022, INTA held a public hearing¹ on the trade-related aspects of the Protocol from which it clearly transpired that stakeholders in Northern Ireland do not feel sufficiently listened to by the EU institutions and the UK government and more direct engagement is necessary.

The objective of this ad hoc delegation visit was to concentrate on the implementation of trade aspects of the Protocol through direct engagement with stakeholders in Northern Ireland. It allowed gathering information on the current situation, hearing the views from a wide range of stakeholders on how to resolve the issues related to the Protocol and explore how the Members of the European Parliament ("MEP") could contribute to this work. The delegation also met representatives from the five main Northern Ireland political parties across the spectrum.

Summary account of meetings

In the meetings, the INTA delegation underlined its openness to hear the views of all interlocutors on how to solve the remaining challenges concerning the implementation of the Protocol, underlining that the proposals that the Commission had put forward, in particular in October 2021, should be the basis for talks with the UK. The main conclusions emerging from the debates can be summarized as below.

The Protocol in general

As it emerges from the latest survey2 conducted by Queen's University of Belfast, the broad majority of population agree that particular arrangements were needed for Northern Ireland in the context of the UK's withdrawal and these should stem from a mutually negotiated solution between the EU and the UK rather than from UK's unilateral action.

The meeting interlocutors, while acknowledging their understanding that the principal focus

² https://www.qub.ac.uk/sites/post-brexit-governance-ni/ProjectPublications/OpinionPolling/TestingTheTemperature5/



 $^{^1\} https://www.europarl.europa.eu/committees/en/trade-related-aspects-of-the-protocol-on/product-details/20220316CHE10011$

of this delegation was trade, all highlighted and explained how the Protocol should not only be seen in purely practical terms relating to customs or sanitary and phytosanitary ('SPS') measures but also as an "identity issue" for certain population groups in Northern Ireland.

The Good Friday (Belfast) Agreement should be seen as central in maintaining a three-fold equilibrium: within Northern Ireland, on the island of Ireland, and between Northern Ireland and Great Britain. Tensions around the Protocol's implementation may add to imbalances in these levels of equilibrium. The current tensions around the Protocol may also have had an impact on the effectiveness of the practical cooperation along these levels.

With regard to societal concerns, it emerged that the cost of living crisis is people's main preoccupation but the lack of certainty surrounding the Protocol, and the possible repeated election in Northern Ireland after 28 October exacerbates this concern. The lack of a functioning government in Northern Ireland is a serious concern, as a number of practical everyday issues are not being addressed at the devolved administration level. There does not seem to be public support for a repeated election, the calling of which is a statutory obligation of the Secretary of State for Northern Ireland under Northern Ireland (Ministers, Elections and Petitions of Concern) Act 2022 if there is no functioning government in place in Northern Ireland by 28 October 2022.

The cost of living crisis is even more emphasised by the phasing out of several EU support programmes after the UK's withdrawal, such as under the European Social Fund and the European Regional Development Fund.

Under Article 2 of the Protocol the UK government has to ensure that the UK's withdrawal from the EU does not result in a diminution of rights, safeguards or equality of opportunity in Northern Ireland. In this regard, stakeholders are following with utmost care the process of adoption of the UK Bill of Rights. In the same vein, the UK's planned introduction as of 1 January 2023 of the electronic travel authorisation that will apply to non-visa nationals (such as European Economic Area nationals (except Irish nationals), US, Australia, etc.) is adding to questions related to the movement of people on the island of Ireland.

Stakeholder engagement

MEPs underlined the importance they attach to contributing within their respective functions and fora to enhanced stakeholder engagement in Northern Ireland, as highlighted in Commission's non-paper from 13 October 2021. This is a long-term and continuous process.

Further participation of political representatives from Northern Ireland in the formal institutional structures linked to the implementation of the Protocol was highlighted. In this regard, MEPs reiterated the invitation to the Northern Ireland Legislative Assembly for the attendance of their Members to the next TCA Parliamentary Partnership Assembly meeting to take place on 7-8 November 2022 in London.

MEPs repeated throughout the visit their receptive mode as to what the local interlocutors see as possible options for the Protocol implementation. The meetings in Stormont permitted the MEPs to listen to the presentation of the established positions of several Northern Ireland political parties (Sinn Féin, DUP, Alliance Party, UUP and SDLP) on the Protocol, and to share the main tenets of the EU's position, as upheld in the recent EP resolutions and statements relating to the Protocol.

Customs, SPS and other trade aspects of the Protocol

The impact of applicable customs and SPS rules and procedures on the availability and costs of products brought from Great Britain, especially food products, continues to be a major concern, as well as the effect that the UK's withdrawal from the EU has had on e-commerce (parcels).

The delegation received the latest update relating to the daily operations of the UK authorities in the area of SPS and customs at the entry points in Northern Ireland. The cooperation between the EU and the UK authorities in both areas is good and progress is being made in terms of IT access to the UK customs databases but this issue is not fully solved yet. MEPs also received update relating to the resources allocated to and the progress of construction of the Border Control Posts.

The Retained EU Law (Revocation and Reform) Bill proposed by the UK government would end the special status of retained EU Law in the UK statute book on 31 December 2023. The adoption of this Bill could start the acceleration of the process of regulatory divergences between the EU and the UK, among others, in the SPS area, and would strongly affect the Protocol trading arrangements. The possibility of a negotiated SPS agreement between the EU and the UK was raised as a solution that would greatly help solving SPS issues under the Protocol

Access to both markets, the UK internal market and the EU single market, was considered as crucial and as a significant advantage for the Northern Ireland's manufacturing and processing industries.

The significant population concern related to the availability of medicinal products in Northern Ireland was considered as having been largely resolved with the adoption of the relevant EU legislation beginning of 2022.

Outside the scope of the Protocol but resulting from the regulatory regime of the TCA, the limitations of the applicable trade arrangements between the EU and the UK concerning services were mentioned as becoming more and more negatively felt on the island of Ireland.

Possible future issues related to state aid in the energy sector were raised to the attention of MEPs due to the current international context, as well as the state aid regime in Northern Ireland in general.

Conclusions

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INTA committee will continue to monitor closely the state of play of the implementation of the trade aspects of the Protocol. The findings of this delegation will feed into committee's work, in particular in the ongoing INTA opinion to the Committee on Constitutional Affairs "Implementation report on the Agreement on the withdrawal of the UK from the EU" (2020/2202 INI), as well as the work of the INTA Monitoring Group for the UK.

Full delegation debrief took place during the INTA committee meeting of 24-25 October 2022.

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Annex: Final programme

EP press release ahead of the delegation visit

COMMITTEE ON INTERNATIONAL TRADE

Committee ad hoc delegation to Belfast, Northern Ireland, the United Kingdom 13.10.2022-14.10.2022

PROGRAMME

Thursday, 1	3 Oct	ober
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12.20 14.20	Informal	hwiefing on	the situation	: N	Janthann	Incland
13:30 - 14:30	intormai	prieting on	tne situation	ın r	vortnern	ireiana

- Susanne Oberhauser, Head of EPLO in the United Kingdom
- Bart Vodderie, Counsellor, EU Delegation to the United Kingdom
- Katy Hayward, Professor of Political Sociology, Queen's University Belfast

14:30 - 16:00 <u>Meeting with representatives of the Northern Ireland Civic Working Group on the Protocol</u>

- 16:00 16:30 Reception with students at Queen's University Belfast
- 18:00 19:30 Meeting with representatives of the Business Brexit Working Group
- 19:30 21:00 <u>Buffet dinner with representatives of the Business Brexit Working</u> Group offered by the European Parliament

Friday, 14 October

07:45 - 08:45 <u>Meeting with representatives of the EU customs and sanitary officials in</u> Northern Ireland

09:30 - 10:00 Meeting with NI Assembly Speaker Alex Maskey

Venue: Stormont, Northern Ireland Assembly

10:00 - 11:30 Meeting with NI Assembly party leaders/representatives

Venue: Stormont, Northern Ireland Assembly

Confirmed:

Declan Kearney MLA, Sinn Fein Diane Dodds MLA, DUP Sorcha Eastwood MLA, Alliance Party Steve Aiken MLA, UUP Matthew O'Toole MLA, SDLP

End of the official programme

Parliamentary trade delegation to visit Northern Ireland

Press Releases³



12-10-2022 - 10:34

MEPs on the Trade Committee will discuss ways to resolve the EU-UK conflict over the Northern Ireland Protocol with political representatives, business and civil society in Belfast.

On Thursday and Friday (13-14 October), the seven-member delegation will hold talks with civil society, the <u>Business Brexit Working Group</u>, Assembly Speaker Alex Maskey and party representatives. They will also meet EU officials in Northern Ireland as well as students.

Members of the delegation

<u>Bernd Lange</u> (S&D, DE), leader of the delegation, Chair of the Trade Committee, <u>Co-Chair of the UK</u> Contact Group

Seán Kelly (EPP, IE), Trade Committee standing rapporteur on the United Kingdom

Nathalie Loiseau (FR, Renew Europe) Chair of the delegation to the EU-UK Parliamentary Partnership

Assembly, Co-Chair of the UK Contact Group

Sven Simon (EPP, DE)

Inma Rodríguez-Piñero (S&D, ES)

Barry Andrews (IE, Renew Europe)

Ernő Schaller-Baross (NI, HU)

"I am very pleased that this delegation to Northern Ireland is finally going ahead and that we have the opportunity to talk to a wide range of actors on the ground. These impressions and information provide important input for our parliamentary work in the context of the implementation of the Northern Ireland Protocol, among other things. The focus must always be on the people and on resolving their practical problems", said **Bernd Lange**.

"It is essential that we hear the issues of most concern to people and businesses first-hand. These are the people that will need to live with, and accept, the Northern Ireland Protocol. Their voices must be heard in the outcome of any agreed solution between the EU and the UK. I am particularly conscious that without an Assembly formed, Northern Ireland is somewhat lacking a clear voice on these issues, which is unfair and regretful.

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³ https://www.europarl.europa.eu/news/en/press-room/20221010IPR42645/parliamentary-trade-delegation-to-visit-northern-ireland

"We want to see a constructive approach from the UK government to resolving any outstanding issues with regard to the Protocol. We have always been clear that the EU is willing to work with the UK to find

mutually agreeable solutions within the framework of the Protocol and the Withdrawal Agreement and that

remains the case", said Seán Kelly.

"As European Parliamentarians, our priority is to listen to businesses, civil society and fellow politicians in

Northern Ireland. We want to strengthen links between the Northern Ireland Assembly and its

representatives and the European Parliament. The EU is ready to engage, to ensure the Protocol works for

everyone in Northern Ireland, while ensuring all existing agreements on the Protocol and the Good Friday

Agreement are upheld", said Nathalie Loiseau.

Background

The Trade Committee has been following closely the evolving trade relationship between the EU and the

UK under the Withdrawal Agreement, especially the Protocol on Ireland/Northern Ireland, and the EU-UK

Trade and Cooperation Agreement. In March 2022, it discussed the trade-related aspects of the Protocol in

which many speakers called for more direct engagement from EU institutions.

The Protocol exists to avoid a return of a trade border on the island of Ireland and to allow Northern Ireland

to stay in the single market for goods. On 13 June 2022, the UK government introduced the 'Northern

Ireland Protocol bill', which, if enacted, would mean that certain provisions of the Protocol would no longer

have effect in the UK.

In June and July 2022, the European Commission launched several infringement procedures against the UK

for not complying with significant parts of the Protocol.

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