



# **Queen's Policy Engagement**

## **Brexit Clinic**



**17 October 2018**



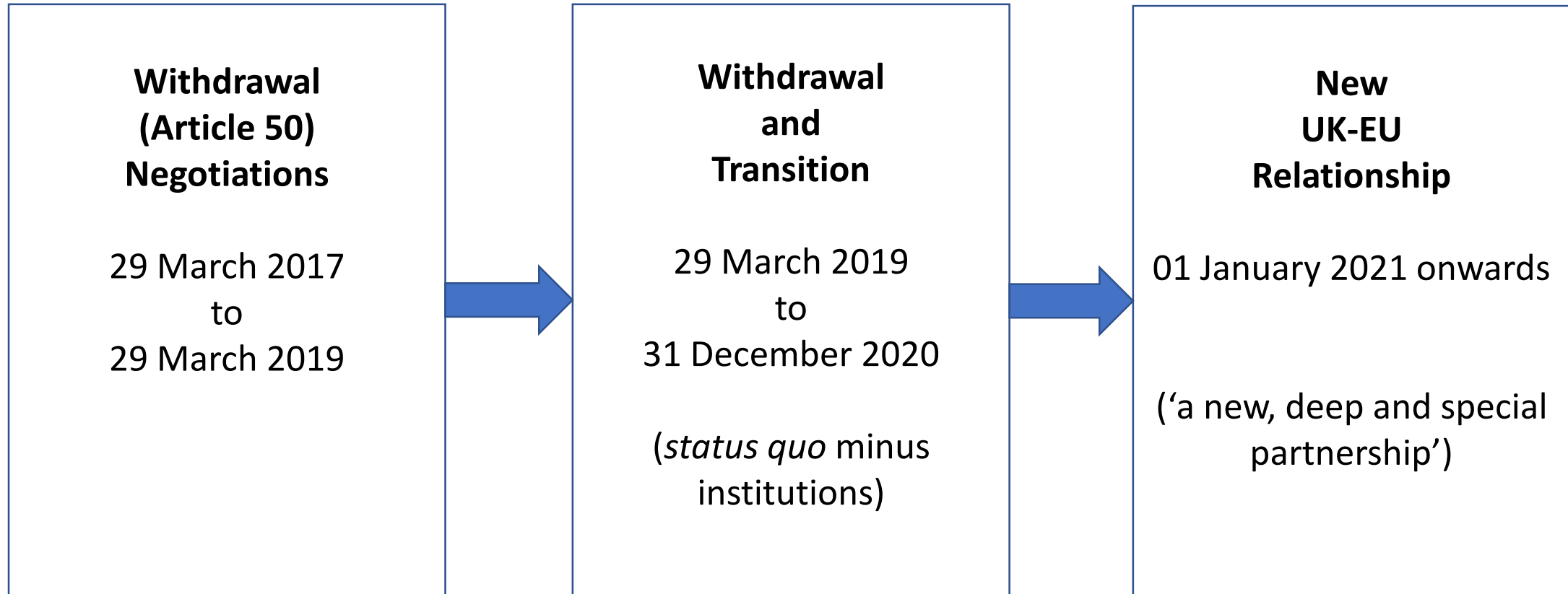
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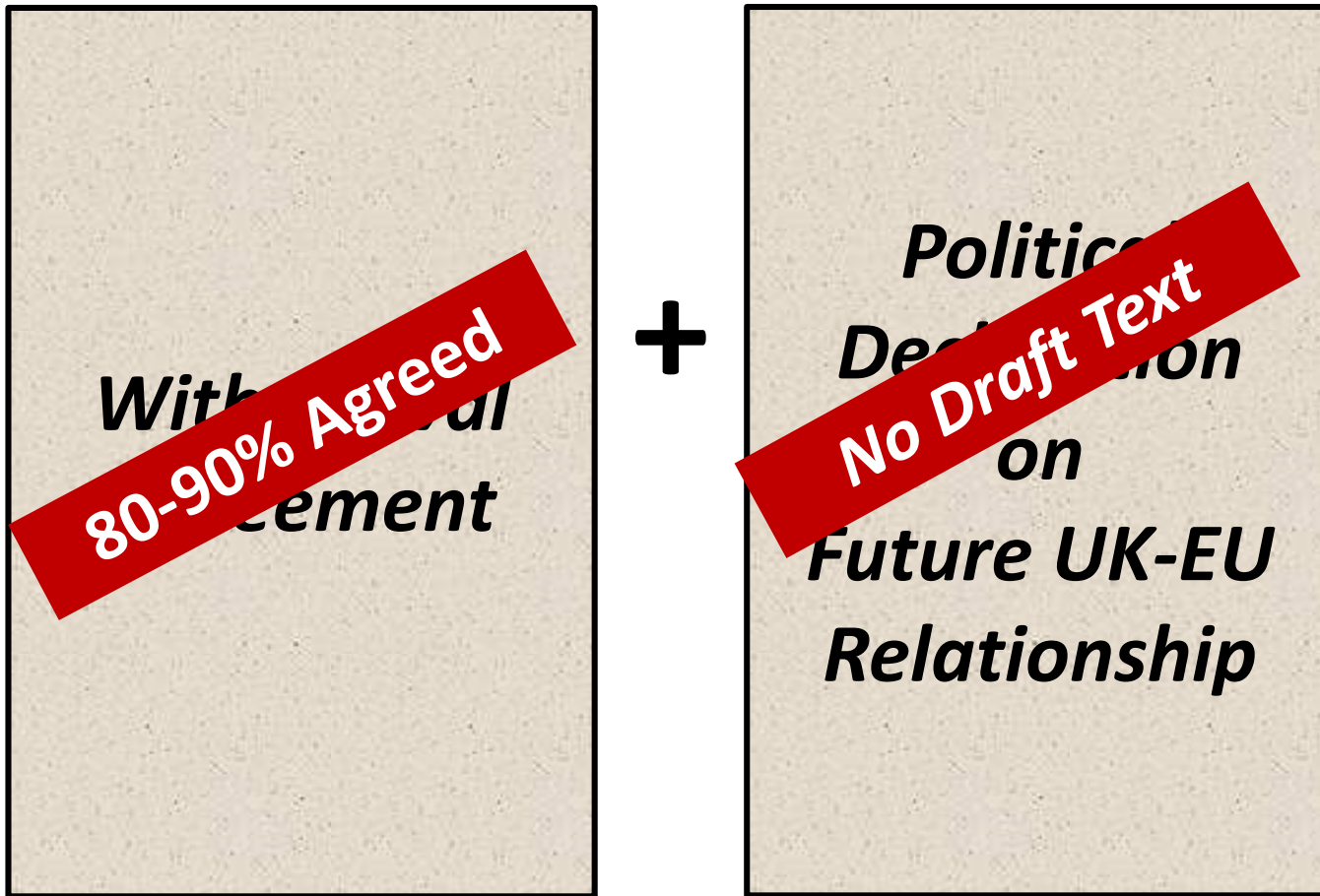
**Prof. David Phinnemore (HAPP, @DPhinnemore)**

## Brexit – a timeline



# Avoiding a 'no deal' Brexit

European Council  
17-18 October



# Northern Ireland

With respect to the **DRAFT PROTOCOL ON IRELAND/NORTHERN IRELAND**, the negotiators agree that a legally operative version of the "backstop" solution for the border between Northern Ireland and Ireland, in line with paragraph 49 of the Joint Report, should be agreed as part of the legal text of the Withdrawal Agreement, to apply unless and until another solution is found.

## Article 15

### Subsequent agreement

Should a subsequent agreement between the Union and the United Kingdom which addresses the unique circumstances on the island of Ireland, avoids a hard border and protects the 1998 Agreement in all its dimensions, become applicable after the entry into force of the Withdrawal Agreement, this Protocol shall not apply or shall cease to apply, as the case may be, in whole or in part, from the date of application of such subsequent agreement and in accordance with that agreement.

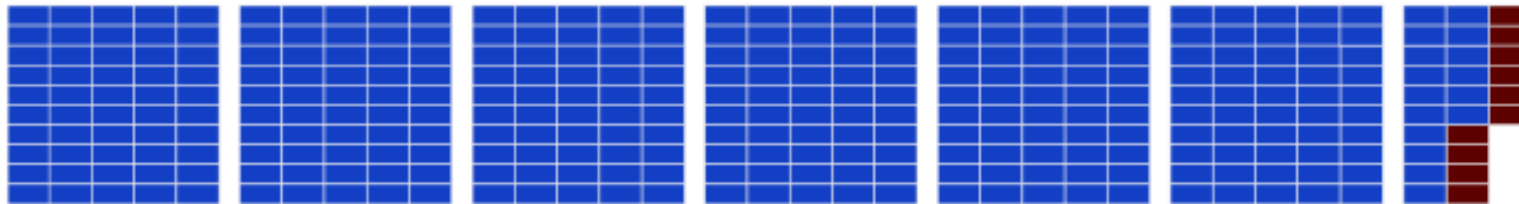
UK-wide Backstop

# A deal ... but no deal?

**Theresa May's parliamentary majority is 13**  
*Current state of the House of Commons, by party*

**The Government has 326 voting MPs**

**316 Conservatives** have a confidence and supply deal with **10 DUP MPs**



**Opposition parties have 313 voting MPs**

**260 Labour MPs**



**Non-voting members (11 MPs)**

**7 Sinn Fein MPs**

**4 Speakers**



Total Seats	650
Available Votes	639
Absolute Majority	320
Conservatives + DUP	326
- DUP	10
- ERG	30-80
Total	286
Shortfall	34

*Daily Telegraph, 16 October 2018*



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Dr Viviane Gravey (HAPP, @VGravey)



# What next for the environment after Brexit?



<https://www.brexitenvironment.co.uk/policy-briefs/>





1. Common frameworks urgently required
  - Co-designed
  - Common principles & high level of environmental protection
  - Legislative frameworks *a priori*
2. Joint Ministerial Council in need of profound reform
  - Parity for devolved nations
  - Transparency
  - Dispute resolution mechanism
3. New watchdog needed – not one size fits all
  - 1+3 or 4+1 models
4. Environmental policy must be properly resourced
  - development, implementation and enforcement of existing policies.



1. NI as weaker environmental link – more at risk.
2. Flexibility required to deliver both continued level playing field within the UK & cooperation North/South on tackling shared environmental challenges.
3. Environmental ‘non regression’ principle
4. Changes to NI environmental governance:
  - Independent NIEA
  - Environment Commissioner as part of UK wide watchdog
  - Held accountable by NI Assembly & in absence of NI Assembly NIAC+ EAC in House of Commons

# Conclusions

- Quick fixes needed urgently – but we should not settle for them.
- Profound changes to UK and NI institutions needed to make public policy making work across 4 nations after Brexit.
- Need for domestic guarantees compounded by external uncertainties:
  - ✓ No Deal catastrophic for the environment
  - ✓ Draft Backstop not enough on environmental grounds





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**Dr. Mary Dobbs (Law, @mdobbs26)**

# Farming in NI?

- Predominately small farms – c.4/5 = ‘very small’.
- Tough farming conditions – ‘less favoured areas’
- Some dependency on seasonal workers (DAERA, 2018)
- Most income via CAP (highly dependent) – Pillar 1 support = 83% of income over last 5 years.
- Interdependent production with ROI – e.g. 25% of NI milk & 35% of NI lamb processed in ROI.
- Export markets: mainly GB & then ROI (over £500m) (% varies with type).

# Brexit & Agriculture?

Depending on what happens\*... the extremely overly simplified version:

- Funding:
  - ~~CAP~~
- Standards:
  - ~~EU environmental (and other) law~~
- Access to resources and markets:
  - ~~Free movement of goods~~
  - ~~Free movement of workers~~
  -
- Impact of delays, certificates or tariffs?

\*Depends on future relationship and any trade deals...

# So, what next?

- Dependent greatly on Brexit and negotiations with EU...
- Industry can take some steps – become more self-sufficient/independent, investigate new options, ensure continue to comply with standards, etc...
- But also domestic agricultural policy development.
  - Devolved competence, but overlaps with centralised issues and England effectively holds the purse-strings – so need to look to England within reason.



# Future agricultural approaches?

## • English Agriculture Bill

- Public money for public goods? Environmental...
- Outcome focused.
- Transitional period – 2027+
- Direct payments – gradually abolish
- ‘Proportionate’ monitoring.

### *Impact on English farming?*

- Effective incentive to achieve aims?
- Will it be viable for (small) farms?

## *From NI perspective:*

- **Enables DAERA** to tweak current approach, but not much more...
- **Highlights some acceptable aims** and indicates undesirable/unacceptable approaches.
- **Centralises powers** – impact on devolved funding policies.

# Future agricultural approaches?

- NI DAERA proposal – similar... but not identical:
  - Broader range for public money for public goods:
    - Increased **productivity**;
    - Improved **resilience**;
    - **Environmentally sustainable**; and
    - An integrated, efficient, sustainable, competitive and responsive **supply chain**.
  - Also outcome focused.
  - Transitional period – 2 years +?
  - Direct payments – revise and quasi replace
  - Environmental regulation = backstop? Maybe keep cross-compliance...
  - Other components, e.g. co-design, insurance/economic resilience, innovation, education...
  - Cross-border issues?

Context of limited NI powers, no Assembly/Executive and lack of control/certainty over funding.

# Funding: CAP, Barnett & Gove

- CAP: Pillars 1 & 2 – ring-fenced;
- Barnett: Proportionate to English spending?
- Gove: Independent review – devolved admin reps and chaired by Lord Paul Bew.
  - ‘In forming its recommendations, the review will look at what factors should influence the distribution of agricultural funding, while ensuring the **effective use of public funds**. Each country’s **unique circumstances** will be considered, including its **environmental, agricultural and socio-economic make-up**. Both the **number of farms and the size of farms** in each country could also be considered, to make sure that each part of the UK gets a fair deal....’
  - So?

# Conclusions

- Brexit will likely have serious negative consequences for NI agriculture, but steps can be taken to help the sector;
- UK is main actor on international level, but NI can play important role – need viable agricultural policy:
  - English Bill should be reflected upon and responded to – especially re WTO components;
  - NI proposal needs developing and clarity; and
  - NI must feed into funding review in light of NI objectives and needs.
- But DAERA can only do so much... need a functioning NI Assembly/Executive!



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Prof Colin Harvey (Law, @BrexitLawNI)



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