

This paper provides a general update to the TEO Committee on EU Exit matters.

JOINT COMMITTEE/SPECIALISED COMMITTEE

1. The New Decade New Approach (NDNA) includes a commitment from the UK Government to ensure that NI Executive representatives are invited to take part in meetings of the Joint Committee and Specialised Committee at which Northern Ireland specific matters are discussed, and at which representatives from the Irish Government attend as part of the EU delegation.
2. The second meeting of the Joint Committee, which is required to oversee the implementation of the Withdrawal Agreement took place on 12th June. The agenda for this meeting was shared with the Committee.
3. The Joint Committee agreed to meet again in September with all parties approving an acceleration of the work of the Specialised Committees. As a result, the second meeting of the Ireland/Northern Ireland Specialised Committee took place on 16 July, chaired by official. The Committee took stock on the implementation of the Northern Ireland Protocol, and continued discussions on the decisions the Joint Committee is mandated to make before the end of the transition phase. It was agreed the Committee would meet again in the early autumn.
4. An extraordinary meeting of the Joint Committee took place on 10 September. The meeting was requested by the European Commission to seek clarifications from the UK on the full and timely implementation of the Withdrawal Agreement, including the Northern Ireland Protocol, following the follows publication of the United Kingdom Internal Market Bill on 9 September.

EXECUTIVE CONSIDERATION OF EU EXIT RELATED MATTERS

5. The Executive has continued to meet to discuss EU Exit Matters. Recent Executive meetings have included updates on the negotiations, the JMC(EN) meetings and stakeholder engagement as well as discussions on Data, EU Programme Participation, PEACE Plus and Open and Fair Competition.

UK-EU FUTURE RELATIONSHIP NEGOTIATIONS

6. The eighth formal negotiating round on the future relationship between the UK and EU took place in London between the 7 to 11 September and both sides have agreed to continue formal negotiations in the week commencing the 14th September.
7. In an addendum to the negotiations terms of reference the UK and EU negotiating teams reiterated their commitment to conclude and ratify a deal before the end of 2020.
8. We understand that if any agreement is to be ratified and in place by the end of the Transition Period, the legal text must be finalised by 31 October.

IRELAND/NORTHERN IRELAND PROTOCOL

9. The top cross-cutting priority issue for the Executive remains clarity on the implementation of the Protocol and the impact on our businesses and citizens. Our priority remains to secure unfettered access for NI goods to the GB Market as well as the minimum possible friction on East to West movement of goods.
10. The publication of the NI business guidance on moving goods under the Protocol in August was an important step forward but, as recognised in the guidance, there are outstanding issues on which discussion is ongoing.

NI BUSINESS ENGAGEMENT FORUM

11. The UK Government committed in the Command paper to engage with NI Businesses to discuss their proposals and provide feedback on how to maximise the free flow of trade. Executive ministers and/or officials have continued to attend the NIO Business Engagement Forum meetings with representatives from the business community on a range of issues. NI Ministers also continue to engage regularly with stakeholders.

OPERATIONAL READINESS

12. We are undertaking operational readiness planning to include an option of a non-negotiated outcome.
13. Given the short timescale until the end of the Transition Period it is important that we prepare on a collaborative basis with UKG. UKG have agreed that NICS officials will be involved in all future meetings of the UKG Transition Period Readiness Portfolio Board and there has been recent correspondence between UKG and NICS Permanent Secretaries on reciprocal information sharing.
14. FM and dFM will continue to attend JMC(EN) and other Ministers will be involved in quadrilateral meetings with the Paymaster General and the other Devolved Administrations which will consider Operational Readiness issues.

LEGISLATION

15. The latest monitoring returns from 10 September indicate the potential need for 3 Assembly Bills and 9 Westminster Bills (including the Internal Market Bill), 72 Statutory Rules to be brought before the Assembly (13 of which have already been laid), with a further 90 Statutory Instruments that cut across devolved matters to be laid at Westminster (18 of which have been laid).
16. However, these numbers remain fluid and are subject to change as provisions are further consolidated to minimise the number of statutory instruments to be brought forward within a limited period of time. Significantly, at this time, the programme cannot reflect the full range of legislation which may be required to implement the Protocol or those legislative requirements which are likely to arise following the conclusion of trade negotiations.

REPATRIATED POWERS - COMMON FRAMEWORKS

17. The impact of resources having been redeployed to cover two extended periods of no deal planning ahead of exiting the EU and more recently, further resources being redirected to no deal with the Covid-19 response, means that the delivery of the full suite of frameworks required by the end of the transition period will not be possible

18. As a result the Frameworks Project Board has identified a smaller number of frameworks that should be fully implementable by December 2020 – Hazardous Substances Planning, Nutrition Labelling and Compositional Standards, Food & Feed Safety and Hygiene and the Emissions Trading Scheme. The remainder of the frameworks are expected to have received provisional confirmation by Ministers here and by JMC (EN) before the end of the Transition Period. Further development and scrutiny of these provisional frameworks will continue into 2021.

19. At its meeting on 3 September, JMC (EN) Ministers gave provisional confirmation to the Frameworks for Hazardous Substances Planning and Nutrition Labelling and Compositional Standards. These Frameworks can now begin the Assembly scrutiny phase with the relevant Assembly committees.

INTERNAL MARKET

20. The Internal Market Bill was laid in the House of Commons on 9 September 2020. The stated purpose of the Bill is to seek to provide a coherent approach to the UK Internal Market through a range of measures including:

- Principles of mutual recognition and non-discrimination of goods;
- Giving effect to unfettered access of qualifying goods from Northern Ireland to Great Britain;
- Recognition of professional qualifications to allow professionals access the same profession across the UK without needing to reapply;
- Giving new powers to the Competition and Marketing Authority to advise and report on the Internal Market;
- Measures to clarify specific elements of the Northern Ireland Protocol in domestic law on tariffs, export procedures and state aid;
- Apply a uniform approach across the UK to the application of State Aid law under Article 10 of the protocol;
- The power to provide financial assistance for priority areas across the UK; and
- The reservation of subsidy control.

21. Correspondence from the UK Government to Minister Dodds sets out the need for the Bill, details of its main provisions and a devolution analysis and asks for confirmation that the Executive agrees with the UK Government's devolution

analysis of the Bill, and would be content, in principle, to begin the legislative consent process in the Northern Ireland Assembly.

22. As the Bill is cross cutting the Executive will need to consider the response to the Bill and the impact on its devolved responsibilities.

RIGHTS AND DEDICTED MECHANISM

23. HMT asked the Equality Commission and The NI Human Rights Commission to undertake the scrutiny and monitoring role that will form the 'Dedicated mechanism' to ensure there is no diminution in rights, safeguards and equality of opportunity (as set out in the GFA) for people here following the UK's exit from the EU. (This is provided for in the Protocol and by the EU (Withdrawal Agreement) Act 2020.)

24. Discussions between, ECNI, NIO, DoF and HMT have taken place regarding the appropriate funding to allow ECNI to discharge this role. TEO as sponsor for ECNI is involved in these discussions in respect of the mechanics for the payment and appropriate governance structures.

25. In light of the resources committed by Government to cover staffing and other associated costs of the dedicated mechanism, the Commission has formally agreed that it is willing to act as part of the dedicated mechanism and that it should proceed to establish the dedicated mechanism.

26. ECNI has begun the process for recruiting staff with a view to having a core team in place at the end of the transition period.