



Mid Ulster District Council

Briefing Paper for the Committee for the Executive: Brexit Stakeholder Event – 4th November 2020

Mid Ulster District Council welcomes the opportunity to present this briefing paper to the Committee for the Executive outlining the key concerns and issues which have potential to impact on service delivery across key areas.

1. The implications for Environmental Health (EH) in terms of phytosanitary checks and enforcement activities.

There remains uncertainty due to the potential outcome of the negotiations relating to the withdrawal agreement and the NI Protocol. The following is the current position in relation to Environmental Health;

- Current food regulatory arrangements include EU Approval status for a number of production businesses within MUDC, with remainder identified as 'registered food premises'.
- No export certificates are currently required by MUDC businesses as most trade is within the EU. A few certificates known as "attestations" are issued at the demand of 3rd countries importing certain products from MUDC e.g. China.
- Environmental Health (EH) are responsible for issuing export health certificates (EHC) for fish and fish products, honey and composite products which contain fish and/or egg.
- DAERA have responsibility for all other product export certification.
- Numbers of export certificates required by Approved premises can only be estimated at this point as these were never issued for previous EU trade.
(Note the relevance of the NI protocol)
- Currently there are 25 approved premises in MUDC.
- Work is ongoing with DAERA in establishing trade routes and estimating EH input. Further contact has been with businesses over the last few weeks to explore trade routes. This has resulted in 3 businesses being forwarded to date to DAERA for further information to be collated through a more detailed survey.
- There is likely to be a gap between demand and capacity from DAERA. EHOs are unable to sign the certificates for products other than fish and fish products, honey and composite products which contain fish and/or egg as legislation states that it has to be Vets. There are ongoing discussions that EHOs may have an input into

supporting documentation for premises under their responsibility but this is yet undecided. The level of support and onsite presence has still to be determined.

- Queries from businesses have been complied and forwarded to the FSA and DAERA.
- Inspections have taken place of fishing vessels due to potential for fish certification being required.
- Guidance on Health and identification marks that applies from 1st January 2021 following the EU transition period has been received and will be communicated to relevant businesses
- In relation to consumer protection work, some businesses currently considered to be distributors may become importers at the end of the transition period and different requirements will apply. Such businesses, along with existing importers and manufacturers, will need to be provided with advice and support to meet their obligations for importing and exporting consumer goods. There will be increased monitoring of enforcing authorities with responsibility for marketing surveillance as detailed in Regulation 765/2008 (RAMS).
- There is funding available from the Office of Product Safety and Standards (OPSS) for DCs (equivalent to 1FTE) to assist with the requirements outlined, and to assist with economic development for local businesses.

2. Waste management

Assurances are needed on the practical and legal position of waste shipments entering the EU from the UK in a no deal scenario.

Potential impacts for Brexit on waste management:

Cross Border Movements of Waste - In a 'No Deal' scenario border Councils who collect waste from households by moving between NI & RoI could be impacted by border crossings points being reduced or curtailed. Concerns have been raised in relation to employees living in RoI but working in NI about whether they can continue to drive Council vehicles on an RoI licence.

Customs Arrangements & Border Controls - It is expected that transit through customs will take longer and it is expected that 5-10 % of goods will be checked leading to delays and increases in haulage rates likely. This additional cost may be added onto Council contracts.

Tariffs - Any increase in costs resulting from tariffs on waste materials is likely to be added on to Council contracts. Defra's view is that the export of waste for recovery RDF/SRF does not constitute a sale of goods but the provision of a service. As a result, no tariff should be applied to the export. There is the potential for higher tariffs to feed into the cost of running Councils' fleet.

Council Contracts - Most Councils have in place Residual Treatment Contracts. These contracts involve the export of RDF to EU for Treatment. Costs could be passed on to Councils for risks associated with this movement of waste such as:-

- Feedstock deterioration due to notification or border delays as RDF has limited storage window before degradation of the bales starts
- Penalties applied for delays under 'Put or Pay' contracts
- Currency fluctuations as most RDF contracts are agreed in euros.

Labour - Post-Brexit immigration rules may be more restrictive than existing ones, especially for categories of workers considered 'low skilled' by government (eg general operatives and drivers). Councils will have to compete with the private sector to recruit drivers, or find it difficult to retain existing drivers attracted away by the promise of higher wages.

3. Implications of the loss of EU structural Funds

The UK Government has begun the process of developing a replacement investment mechanism for the EU Structural Funds through The Shared Prosperity Fund (SPF) aimed at addressing regional disparity and structural economic challenges, and driving innovation, productivity, and sustainable economic development.

There is a greater role for local government in the management and delivery of SPF moving forward.

There is a need to recognise the value of community plans as multi-partner plans for local areas involving local, central and other relevant partners. SPF priorities and allocations need to link back to the needs and issues outlined in these Plans.

More clarity is needed however on timescale for developing the Shared Prosperity Fund.

4. Impact on the Business sector

The general feeling within local business is one of uncertainty surrounding issues such as:

- Tariffs on trade coming from GB and clarification on "at risk" goods;
- Treatment of VAT following the end of the transition period;
- Food labelling;
- Requirements for export health certificates;
- Uncertainty amongst traders around qualifying for "unfettered access" to GB markets;
- Impact on migrant workers status and rights in the UK post Brexit in a no deal scenario.