



Member of the European Parliament

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Dear Mike,

**Re: European Commission's 2016 Work Programme**

Thank you for your recent correspondence regarding the European Commission's Work Programme for 2016 and issues which should be considered by Northern Ireland Assembly committees in selecting their EU priorities for the year ahead.

The European Commission's Work Programme for 2016, the second of the Juncker Commission, continues 2015's themes of, reducing the level of new legislation, removing bureaucracy, repealing obsolete legislation and withdrawing proposals from previous Commissions which have stalled. This more streamlined programme of work and its greater focus on improving competitiveness is to be welcomed. This approach should, in theory at least, help to make identifying EU priorities a more straight forward task for the NI Executive and Assembly committees.

I have noted with interest the UK Government's views regarding the potential implications of the main initiatives and the key areas of interest for the NI Executive, both of which are contained within the Explanatory Memorandum, and the departmental views as detailed within the Assembly Research and Information Service (RaISE) paper. Considered in conjunction with the various Commission Work Programme Annexes these documents represent a useful resource for committees to draw upon as they seek to identify their 2016 EU priorities. Although key initiatives have been identified by the NI Executive it is important that all aspects of the programme are monitored by departments and committees so that issues of relevance or concern can be identified and if necessary addressed at an early stage.

**New Initiatives**

As you will be aware the previous Commission mandate proposed an average of 130 new initiatives each year, I therefore welcome that the Commission has proposed 23 new initiatives within the 2016 Work Programme.



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The mid-term review of the Multiannual Financial Framework (MFF) 2014-2020 is a crucially important part of the programme as how the budget is prioritised directly impacts upon all policy areas and initiatives. There is a degree of flexibility within the MFF so that funds can be mobilised to address issues or events as they arise, in recent months for example this has included humanitarian aid to assist with the refugee crisis and additional support for farmers hit by falling markets and the Russian embargo. The debate regarding the EU's budget and its priorities post 2020 has already begun. Efforts to improve the performance of EU expenditure and ensure value for money are to be welcomed and must continue. The focus on both implementing the Digital Single Market and moving forward with the Single Market Strategy have the potential to create jobs, these are positive parts of the programme which could deliver economic benefits for Northern Ireland.

In terms of the Commission's Trade and Investment Strategy there are potential risks and opportunities for Northern Ireland associated with any free trade agreement. The on-going negotiations between the EU and US are the most high profile and ambitious aspect of the EU's trade strategy. If a deal is indeed reached the Transatlantic Trade and Investment Partnership (TTIP) would be the biggest free trade agreement in history, progress this year is however likely to be affected by the US presidential election. Efforts to secure a trade agreement between the EU and Mercosur bloc of South American countries on the other hand are likely to step up a gear following the outcome of last year's Argentinian presidential election. I have always been concerned about the potential implications of a trade deal between the EU and Mercosur for all sectors of EU agriculture – particularly the beef sector. Agriculture is hugely important to the Northern Ireland economy and must not in my view be used as a bargaining chip to secure trade agreements between the EU and Mercosur or indeed any other country or region.

The Commission's proposals regarding Energy Union and energy more generally are important for Northern Ireland given the strategic importance of energy security and the impact high energy costs are having on our manufacturing base. This is an issue which would clearly interest MLAs and the relevant committee(s) in the new mandate. The Corporate Tax Package and proposals regarding the Circular Economy would also appear to be of particular interest to Northern Ireland.

The NI Executive has also expressed a specific interest in the European Fund for Strategic Investment (EFSI) – the European Commission's flagship initiative designed to increase levels of investment across the EU. Figures released in mid-January by HM Treasury show that the European Investment Bank (EIB) lent €7.77 billion to projects in the UK which included €973 million through the EFSI. None of the UK projects supported through the EFSI so far appear to be in Northern Ireland. However it is still early days, I gather that a number of project proposals were submitted by the NI Executive for consideration last year and the current state of play of those potential initiatives is unclear. Northern Ireland must make the most of whatever opportunities are contained within the EFSI initiative. In addition to the



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EFSI all methods of financing investment that exist at the EU level must also be fully investigated by officials and indeed the private sector.

I also share the UK Government's concerns with regards the European Defence Actions Plans and a number of other proposals listed in Annex 1 in relation to subsidiarity and 'competence creep' although for several initiatives there is a lack of detail at this stage.

### REFIT Initiatives

The continued drive to review legislation and reduce the burden and cost of red tape, the so-called REFIT programme, is a feature of the 2016 Commission Work Programme which I support. This on-going process is a welcome feature across all policy areas and is partly a result of the UK's efforts to reform the EU. The NI Executive and individual departments must ensure that they fully utilise every opportunity to engage with the Commission's consultations/calls for evidence and to feed in the views of local stakeholders throughout this drive to simplify EU legislation.

Of course national and regional authorities have a key role to play in ensuring that any of the Commission's measures to reduce the administrative burden are effectively implemented. It is steps taken locally which will mean that the benefits of the REFIT programme are actually felt by farmers, businesses or other stakeholders. Cutting out complexity and bureaucracy also delivers savings for the departments and agencies that administer and implement programmes and schemes. For example, in relation to the recently launched PEACE IV and INTERREG VA programmes a number of measures have been agreed to reduce the administrative burden for beneficiaries. These include an agreement that with the exception of justified cases the maximum processing time for applications will be 36 weeks. Stormont ministers and local officials must now deliver on their pledge to cut red-tape as complex and burdensome bureaucracy added locally has been a problem with previous programmes.

As a member of both the European Parliament's Agriculture Committee and the Environment Committee I have been actively engaged in discussions and debates on a number of the specific initiatives listed in Annex 2, including the CAP simplification exercise. As part of this much-needed initiative the EU's Agriculture Commissioner Phil Hogan recently announced a number of proposals to simplify the package, specifically to make penalties more proportionate. Simplification of the CAP is essential due to the sheer complexity of the reformed package, the impact this is having at farm level and the costs associated with administering the policy. Given the importance of agriculture to Northern Ireland this is an important piece of work and I look forward to Commissioner Hogan bringing forward the next tranche of proposals on 'greening' later this year.



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The proposed evaluation of EU Nature Legislation is something which has attracted a huge amount of attention in recent months. Only this week MEPs endorsed a report which called on the Commission not to review the Birds and Habitats Directives. Initiatives regarding REACH, Pesticides, Maritime Legislation, State Aid, the Fuel Quality Directive and Energy Union Reporting may also be of interest locally. It is also worth noting that additional, on-going REFIT initiatives can also be found in the REFIT Scoreboard.

It is important that committees scrutinise and evaluate how EU legislation is interpreted and transposed and how programmes are administered at a local level in all policy areas to ensure no unnecessary 'gold-plating'.

### 2016 Priorities

Monitoring the legislation which becomes applicable this year (Annex 6) is important to help ensure that it is effectively transposed, the risk of infraction is minimized and so that relevant stakeholders are fully aware of the implications of the new legislation for them.

The initiatives identified as the Commission's priorities for 2016 listed in Annex 3 must also be closely followed as these aspects of the Commission's Work Programme are likely to move quickly. It is also worth noting the priorities of the two Presidencies of the Council of the EU this year, Netherlands (1 January-30 June) and Slovakia in the second half of the year, to identify where they intend to focus their time and energy.

Through the course of my committee work in the European Parliament I have encountered a number of the priority initiatives contained in the 2016 Work Programme. As a result I have particular concerns about the possible implications of the revision of the National Emissions Ceilings Directive for livestock production in Northern Ireland, a key plank of our agri-food industry. In addition I have raised serious concerns with the Commission about plans to allow individual Member States to restrict or ban the use of genetically modified (GM) food and feed. In spite of the disruption this proposal regarding GM feed would cause in the internal market and the opposition from MEPs, the EU's Commissioner for Health and Food Safety Vytenis Andriukaitis refuses to come forward with a new and workable solution.

### EU co-ordination and engagement

As you note within your correspondence the current Assembly mandate is drawing to a close and that as part of this exercise current committees may suggest areas of EU activity for their successors to consider. There will of course be a reduction in the number of departments in the next mandate and as a consequence new committees to provide scrutiny. Streamlining and making government in Northern



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Ireland more efficient is to be welcomed. It will however be important that the disruption to EU engagement is minimised as the new departmental structures and functions plus associated personnel changes and new committees become established.

Effective EU coordination will be key within and between the new departments to both ensure there are no gaps in policy engagement and to reduce the likelihood of unnecessary overlap and duplication. In addition the changes to departments must not impact upon the delivery or administration of the various 2014-2020 EU programmes such as the European Social Fund or the Rural Development Programme or restrict the level of local participation in EU networks or programmes such as Erasmus+ or drawdown of competitive funding from Horizon 2020 or COSME for example.

The reduction in the number of departments also represents an opportunity to assess and potentially improve how Northern Ireland does business at the European level. Progress has been made in recent years but the re-organisation of departments should be viewed as chance of further enhancing coordination between local departments/officials and their Whitehall counterparts, UKRep, the ONIEB, the business community and other stakeholders – including MEPs. The recent confirmation that the Northern Ireland Task Force is to be continued is timely and should also be factored into any changes with regards EU engagement. The continuation of the Task Force represents the EU's continued commitment to Northern Ireland and we must make the most of this unique resource. Moving forward there is now scope to consider implementing aspects of the Committee for OFMdFM's recommendations regarding the Northern Ireland Task Force. For example perhaps now is the time for the NI Executive to identify a suitable region in the EU for Northern Ireland to benchmark itself against in relation to EU engagement and activity? It is also important that existing networks are fully utilised, there is for example a lack of clarity regarding the future of the Northern Ireland European Regional Forum (NIERF). I feel that the positive work of the NIERF should not be lost especially at a time when local budgets are being squeezed and competition for EU funds is high – we cannot afford to fall behind other regions.

Although the 2016 Commission Work Programme is greatly streamlined when compared to the previous Commission mandate it still contains an array of initiatives which have the potential to impact upon every area of policy and daily life in Northern Ireland. In addition to considering what is contained within the Work Programme Assembly committees may also wish to investigate additional ideas and policies which are becoming popular across the EU such as 'reshoring' jobs. As I have also noted the Commission's priorities can and do change to respond to crises as they arise, providing humanitarian aid to assist the refugees crisis, perhaps the greatest challenge facing the global community at present, being a case in point.



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Finally the on-going renegotiation of the UK's relationship with the EU is clearly a major issue. Irrespective of the shape of the final reforms actually agreed or the outcome of the referendum there are likely to be changes to the EU and how we relate to it. At this stage it is unclear as to if and how the renegotiation would impact upon the 2016 Work Programme, this is something all departments and committees will want to follow closely in the months ahead.

I trust you find these comments helpful as you and your committee colleagues prepare your report on European priorities for 2016.

Yours sincerely,

**JIM NICHOLSON**  
Ulster Unionist MEP for Northern Ireland