



Northern Ireland  
Assembly

Committee for The Executive Office

# OFFICIAL REPORT (Hansard)

Brexit: Executive Office Briefing

29 July 2020

# NORTHERN IRELAND ASSEMBLY

## Committee for The Executive Office

### Brexit: Executive Office Briefing

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**Members present for all or part of the proceedings:**

Mr Colin McGrath (Chairperson)  
Mr Doug Beattie (Deputy Chairperson)  
Ms Martina Anderson  
Mr Trevor Lunn  
Mr George Robinson  
Mr Pat Sheehan  
Ms Emma Sheerin

**Witnesses:**

Mrs Lorraine Lynas	The Executive Office
Dr Andrew McCormick	The Executive Office
Ms Lynsey Moore	The Executive Office

**The Chairperson (Mr McGrath):** Departmental officials are in attendance to brief us on the most recent developments with Brexit, including progress made at the second meeting of the specialised committee on the implementation of the protocol on Ireland/Northern Ireland, which took place on 16 July. Dr Andrew McCormick attended the specialised committee on behalf of the Northern Ireland Executive. I take the opportunity to welcome him to the meeting, along with Ms Lynsey Moore, who is director of the European division and head of the Office of the Northern Ireland Executive in Brussels. It is good to see you in person, Lynsey. We have spoken a number of times on the phone.

**Ms Lynsey Moore (The Executive Office):** We have.

**The Chairperson (Mr McGrath):** You are very welcome. It is good to see you both. We also have, via telephone, Mrs Lorraine Lynas, who is the deputy director of EU future relations in the Executive Office.

I will hand over to the officials to present a few updates, and then we will move to a question-and-answer session. As ever, the meeting is being recorded by Hansard. Andrew, I will pass over to you and let you make your presentation.

**Dr Andrew McCormick (The Executive Office):** Thank you very much indeed, Chair. It is good to be here in person. Thank you for the chance to do this again. We will try to cover some of the things that you mentioned. Thankfully, Lorraine is our expert on common frameworks, so we can bring her in when you want to deal with that, as well as some of the other things that she works on with me. She covers the Brussels angle mainly, but she happens to be here at the moment.

The treaty makes the proceedings of the specialised committee confidential. There are therefore limits on what I can say. The areas of interest, and the points that are evolving at present, are pretty well known, however, so there is no difficulty covering the topics of concern and the way in which it is all moving forward.

**The Chairperson (Mr McGrath):** I will pause you there. I will just check that Committee members are still online, because we cannot see them. Emma, are you there? If so, are you still seeing the proceedings?

**Ms Sheerin:** Can you hear me?

**The Chairperson (Mr McGrath):** We can hear you now. Can you hear us?

**Ms Sheerin:** *[Inaudible]* disappeared there, I do not know what happened.

**The Chairperson (Mr McGrath):** Members may lose the visual feed, but I think that you will still be able to hear us. All the members fell off our screen a moment ago. George, are you still there?

**Mr Robinson:** Yes.

**The Chairperson (Mr McGrath):** That is fine. We may lose the visual link, but the members are still able to hear the presentation. Back to you, Andrew.

**Dr McCormick:** Interrupt me if you need to, Chair. I will keep going unless you tell me not to.

The role of the specialised committee is to provide a forum for discussion of the issues that then need to be taken to the joint committee for decision. That is the fundamental nature of the role. The negotiating leads will be the Cabinet Office transition task force and the UK task force in the Commission. There will also be regular attendance by a range of officials from Whitehall, lead Departments involved in the topics under consideration, some of the main directorates general in the Commission and some of the member states. Under New Decade, New Approach (NDNA), the undertaking was that, if Irish Government officials were there, the Executive would also be invited, and that has been faithfully held to. Of course, given the topic and the range of coverage, it is of great interest: it is a very central set of issues for consideration.

I have been at the two meetings, and there will be a further meeting early in the autumn. A lot of things need to go to the joint committee for decision-making. We have drawn as much on our ongoing engagement with businesses as well as the specific deliberations in Brussels.

I will give you a summary of the main issues that are under consideration. We are looking at implementation of the protocol. The Commission, after the previous specialised committee meeting, got out a technical note and said that we needed to move to full-scale implementation, and it wanted us to do that. The reality remains that there are quite a few things that need to be decided. Implementation and decision-making are moving en échelon, so to speak. There are some things that we can get on and do, including the important work that can be done by DAERA and by the relevant Whitehall Departments in implementing various aspects of the protocol, while still taking a step-by-step approach to resolving some of the issues that need to be sorted out. That is a very tight timetable. It is a matter of fact that this all has to be in place and operational for the end of the year, given the clear decision not to extend transition. That is where we are.

The broad headings include the mainstream implementation of the issues, and you only have to work through the topics in the protocol to see where those are. A big and important one will be agri-food checks on goods moving from Great Britain to Northern Ireland. That central and challenging topic was covered in all our discussions. A range of technical meetings that happened in the same week as the specialised committee went into more detail, and we have had good feedback on progress.

I will give you a broad impression of the state of play. On commitment and progress, the UK Government are very clear that there will be full implementation. There is no renegotiation of the protocol. It is a matter of interpretation, mitigation and looking at ways to make sure that the protocol is implemented in a way that causes minimum disruption to the movement of goods in all directions, and this been said by all UK and Executive Ministers. Northern Ireland to Great Britain is, predominantly, a matter for the UK.

The UK Command Paper stated that exit declarations should not be needed, but it acknowledges that it is an issue for further discussion and decision. It is not a unilateral action. The UK Government are saying that there is no reason for exit declarations, and, therefore, they hope to persuade the Commission to accept that. However, that is still to play for and still has to be resolved. That is one of the main issues. It is the only real impediment to the movement of goods from Northern Ireland to Great Britain — the only extra bureaucracy. In the other direction, that is, of course, much more complicated. The Command Paper draws out, clearly, that there is to be no new customs infrastructure. The customs declaration obligation means that everything has to be identified in the documentation, but electronically. The intent and the ambition are to have that system fully in place and operational for the end of the year. That is ambitious, but they are making a commitment that it should streamline the movement of goods from GB to NI as far as customs are concerned. There is also the question of at-risk goods, which I will come to shortly in the second part of the range of issues.

The mainstream implementation is about ensuring that there are agri-food checks and, as the UK Government stated in the Command Paper, which recognise the island as a single epidemiological unit. It is therefore reasonable to build on the existing range of checks that preserve animal, plant and human health. That is a highly sensitive issue, but practical steps are being taken, and the issue is being explored, with the objective of minimising the friction that will arise. It is work in progress and, as the Commission said after the specialised committee meeting, it wants to see progress. UK Government communications state that they are committed to making that progress, to delivering all that is essential and to assuring all concerned that that is happening.

There are a number of other articles in the protocol where detail is needed. VAT treatment probably requires quite a lot of extra work at present in order to get to a place where businesses can have clarity. Everyone is working towards that goal and trying to get to it as quickly as possible while recognising the reality that some things still need to be resolved and discussed, so VAT is high on that list and needs particular attention. Good progress has been made on a range of issues in relation to manufactured goods. Progress is being made on all those things. That is the general implementation of the protocol.

Alongside that, there are four specific areas where the joint committee is required to take decisions, and those areas need to be specifically resolved. All I can say at this stage is that detailed work is going on at a technical level on each of those four issues, and progress is being made. None of them is finally resolved as they will all need to come formally to the joint committee, and the specialised committee will need to bring together the views and different considerations that affect the decisions on those four items.

The four items are as follows. First is the definition of at-risk goods. If the protocol says that no tariffs are payable on entry into Northern Ireland for goods that are not at risk of entering the single market, the aim is to ensure that that definition is as broad as possible in order to minimise friction. However, you can see the inherent logic in that, if goods are being processed here and sold into the single market, that is a legitimate consideration in looking at how the single market works, but the commitment has to minimise the implications. That is a technical issue that requires detailed definitions and, as business representatives have said publicly and in their engagement with government, there are lots of issues to analyse on that front because different sectors of the economy have different considerations. It is in the nature of supply chains. When Ireland and the UK were full members of the EU, supply chains evolved in a way that the behaviour was in a single market, so that is totally understandable and has been economically advantageous. We must now look at how to work that out in a way that maintains as much economic advantage as possible.

The second issue is the level of subsidy payable to agriculture and fisheries in Northern Ireland within state aid limits. Again, it is about avoiding a distortion of trade and is a technical point as to what financial regime will follow on from the fact that we are no longer in the common agricultural policy (CAP) and so on.

The third topic is specialist and concerns fisheries and landings. When Northern Ireland fisheries bring produce back here and it is landed, what rules apply? Northern Ireland is part of the UK customs territory and yet is under single market rules, so how does that work with duties? Again, that is quite technical and specialist. There is probably a bit of a tension and a link there with one of the biggest difficulties in the main talks between Messrs Frost and Barnier in relation to fisheries. Fisheries stands out as one of the most difficult issues there. From our point of view, it is better to keep those as separate as possible, because that is a small technical point, but highly sensitive, of course, for fishing communities in Northern Ireland.

The fourth topic is representation — "oversight" may be a better word — where article 12 of the protocol gives the Commission the right to oversee the way in which it is implemented. There is a role there, given that, uniquely, Northern Ireland will be the only place where the external boundary of the union will be being managed by a non-member state. Therefore, the responsibility for overseeing the protection of the single market will lie with UK authorities. That will include, of course, DAERA officials in relation to sanitary and phytosanitary (SPS) measures, so it fits directly into the devolved space. However, article 12 gives the Commission a supervisory role there. It is about working out exactly what that will mean. The Commission is no longer pressing for a representational office in Belfast; what it is asking for is sufficient and proportionate oversight. There is still some way to go on that issue to get it resolved in a way that is both sensitive to our situation here and compliant with the wording of the protocol.

Those are the topics that are under consideration. They are all in the basket of work in progress. They all need to be resolved as quickly as possible, because the goal has to be clarity for businesses. As was said in one of the parliamentary Committees yesterday, we are aware that there is a plan for further communication to businesses. Early next month is now the expected timetable for that. Certainly, part of what we, as officials, have been asking consistently, and what Ministers have also been asking in their engagement with the UK Government, is to get to that clarity as soon as possible. The reality is that, because there are some quite significant issues that need to be negotiated where there is potential advantage to be secured if we can persuade Brussels and the member states of some mitigating measures, some delay may be worthwhile if we get a better outcome. Getting a good outcome is the primary thing. It needs to be done as soon as possible, because time is so short and there is so much to be done, but getting there is still a very important set of steps.

That is the work on the protocol, Chair. I could cover more ground and go into the negotiations and other things like that, or would you rather that I paused there and get into that topic?

**The Chairperson (Mr McGrath):** Maybe you could give us it all, and then we can question on all issues, rather than going back and forward.

**Dr McCormick:** OK. I will say a little bit, then, about the high-level negotiations, not that they are focused directly on Northern Ireland, but there are definitely some real, significant issues that affect us.

**The Chairperson (Mr McGrath):** Yes.

**Dr McCormick:** So a little bit about that, touch on preparedness, and stop then, if that is OK.

On the mainstream negotiations, you will have seen the regular read-outs, including press conferences and press comment last Thursday from the latest engagement between Michel Barnier and David Frost. There are two areas where it is publicly known that there has been progress and some degree of change of stance compared with the opening of the negotiations several months ago. One is that the European side accepts and recognises that the UK will not accept a deal that involves strong jurisdiction for the European Court in oversight. Now, we are not clear about entirely what that means, and *[Inaudible]* totally clear, but it is a significant step in recognising how that moves forward. In the other direction, the initial positions of the two sides had been that the EU was looking for a single association agreement, so that all the different dimensions — free trade through to aviation, through to data adequacy — every aspect of the relationship between the UK and the EU would be under a single overarching governance arrangement. The UK's mandate — the approach document that they published in February — talked about an ambitious new trade agreement as being a free-standing agreement, with a whole range of sector-specific or topic-specific separate agreements. One of the central points of that was that the UK sees itself as a fully independent state and does not want an overarching agreement whereby a challenge in one area could lead into or affect the relationship in an unrelated area. That was part of the reason for wanting some of the agreements to be separated. What emerged last week was word of some acceptance that the EU's experience of dealing with Switzerland, where there is that basket of quite complex agreements, has not been good. I do not think that it has been a good experience for the Swiss any more than it has been for the EU. I have not been in Switzerland very often on business, but I picked that up the one time that I was over talking to Swiss officials. That is a movement. I do not think that it necessarily takes us into the full association agreement that the EU originally wanted, but we may be closer to that than we were originally with the UK's mandate.

From a glass half-full point of view, those are signs of progress and signs that positions can change and that, therefore, we should all look forward to more progress in the further rounds. There is a further formal round in August, and more is planned for September. That is one way to look at it. There were also plenty of signals last week that were rather more pessimistic on that front. I am certainly not going to call it; I have no magical insight into all that. Some of the key principles that are being talked about are still very difficult. The two issues that keep getting mentioned as being the most difficult are fisheries and the level playing field. That would certainly include issues of subsidy and state aid, and there has been a lot of press coverage on that since the last round. It is about the wider issue of the EU position being that a free trade agreement should not allow such regulatory divergence that the UK obtains an unfair disadvantage and the UK saying, "Well, these are conditions that you are seeking to impose on us that you did not oppose on other partners in free trade agreements, such as Canada". That is the bones of the argument. That has some way to go before it draws towards a conclusion, and it will require some further political intervention.

The most relevant thing for us in that context is that, in the way that the protocol would operate, there would still be a significant advantage in there being a good free trade agreement. The protocol will be quite complicated anyway, and the at-risk goods concept that I mentioned will be of some relevance. If there are significant tariffs, especially on agri-food produce, it will become a lot more complicated. It is highly advantageous from a Northern Ireland point of view for there to be a deal, and our Ministers take every opportunity to say, "Do not forget that those two things interact". There is a tendency in London to see those things as separate, so there is a team working on the protocol here and a team working on the negotiations there. We are saying, "Make sure that you are talking to each other and are hearing what we are saying to both of you about the things that affect us". That is quite an important dimension to the negotiations as far as we are concerned. The same point applies with agri-food. If an agreement on SPS standards and agri-food regulations was part of the main deal, it would make it easier to have relatively simple and minimum friction on the movement of agri-food goods from GB to NI. They are highly relevant.

Data adequacy, again, is a very significant point for us given the integrated nature of some services and functions across the island. There are a lot of issues where an advanced deal has advantages for the way in which our economy would work, including goods, agriculture and fisheries, which are covered by the protocol, and services, which are not. All these things are interacting. All those considerations need to be managed as we look at readiness, and that implies the readiness of the public sector and business. A lot of work is going on with that, and it will need further consideration at ministerial level in the weeks and months ahead. There is a lot that needs to be as clear as possible by the end of September. Unless Lynsey or Lorraine want to add anything, I will pause there.

**The Chairperson (Mr McGrath):** Thank you very much indeed for that comprehensive update on the meetings that have taken place. I will start off with a few questions, the first of which is very general. You highlighted a few instances that seem upbeat, especially some of the communiqués issued after the recent meetings, in comparison with those in the past. What is your assessment of the reasons why they are upbeat? Do you feel that the upbeat nature of the communiqués is not reflective of what happened at the meetings? I would think — well, I will let you answer.

**Dr McCormick:** *[Laughter.]* Thank you very much for that. It is very hard to call and very hard to tell. You can interpret things. If things were going particularly badly, there would still be a reason to speak optimistically in public: the need to maintain a degree of confidence, momentum and hope. So, you can read it either way. I am not saying anything about the merits of the issue. It could be that there are areas that are falling into place and that potential landing zones or settling points are beginning to emerge. You would expect that, after all these months of engagement, with large teams talking to each other — not just talking past each other all the time but understanding each other's point of view — people would at least know what the options are. I can put it no more strongly than that. By now, they must know what could be done. It then comes down to the art of the possible in the world of politics as to what combination, given the wide range of different streams to these negotiations, has the potential to get to something that can be acceptable to both sides in that space. That is definitely possible, and an awful lot of work is going on to make that possible. It is a matter of listening very carefully to what people are saying. Are there real red lines? When the UK says that there will be no court jurisdiction, that is not a negotiation point; it is an absolute. That kind of clarifying and landing is very important *[Inaudible.]*

**Ms Moore:** The reason for the optimism is that we have had quite a few rounds, as the Committee has heard, where both sides set out the case for their position, but there was not any real middle ground, movement or flexibility. As Andrew outlined, there are a few areas where they have been able to find

flexibility on both sides, or, at least, to agree that they need to look into them in more detail, as we mentioned in relation to the governance of the relationship and other things. That creates optimism because it starts to enable people to see the way forward, as Andrew said, towards the landing zone. There is time pressure, as you know, and the UK Government had wanted to be further forward at this stage on having the outline agreement, but they have now accepted that they will keep talking into September. To keep talking is always positive, and it means that you can see that there is a way forward. There is still a long way to go, and the big issues, as Andrew said, are the big issues that have been there from the start. We have known that these issues would be the sticking points on both sides and that both sides have very clear red lines on them. It still has a way to go, but having signs of an agreement is positive, and that is certainly the reaction in Brussels as well.

**The Chairperson (Mr McGrath):** The document reiterates, and you referred to this, that, at this stage, people are saying that 1 January is the definite date: there will be no extension, and that is when things will be implemented. Looking from a higher level rather than specifically, do you think that we are ready for 1 January? Do we have the systems in place, or do you think that we are not ready? If we are still negotiating, some of the decisions taken in those negotiations will, of course, have ramifications that may take time to implement. At what point do you feel that decisions need to be taken so that preparations can be made so that we are ready?

**Dr McCormick:** For some things, it would be better had decisions been taken before now, but it is still possible to get to a place where clarity is resolved in time. A lot depends on what happens even next month and September, because the uncertainty for businesses is pretty serious, especially given the pandemic. That is a very, very heavy set of issues for the economy.

It is still possible to be organised and ready, but we are certainly not ready today because there are uncertainties and things that need to be done in the world of practical implementation. A large majority of those issues are not devolved. The main devolved topic is the issue of agri-food checks from GB to NI. That is the most difficult and sensitive but very important area because those are devolved statutory functions. We are getting significant assistance: DEFRA is working very closely with DAERA in providing a lot of technical support and advice to facilitate that as best as possible. Lots of important work is definitely going on. Will everything be perfect on 1 January? I doubt that it will be perfect. The question is this: can we get something that is viable, workable and which can settle into next year as things adapt and settle in to a new way of working?

There will be significant changes for a lot of businesses. There is a definite deficiency in the communication to businesses. The UK Government put out, in some detail, the forward operating model for the general interface between GB and the EU, but too many things are not yet clear. We see evidence of those things being worked on very hard by a lot of people. There are, probably, more people working on Northern Ireland issues in London than there have been in many years, because the protocol is central to the whole withdrawal agreement.

A lot of really important and good work is going on, but it has some way to go, and it is right for our Ministers to continue to ask for urgent progress. That has been a consistent and clear message in our engagements, and we are reasonably well plugged in to the Whitehall preparedness structures. We have some good dialogue on work that is specific to Northern Ireland and on work where we have a relationship and shared interests with Scotland and Wales, and there is some insight into what is going on at the highest level. It is progress, but we will know a lot better, I would have thought, by mid September.

**Ms Moore:** May I add a little about the timelines? We have two things happening in parallel, as you know: the specialised committee and the joint committee, and the decisions that it makes, as Andrew outlined. The joint committee has to make its decision on those four issues before the end of the year — before the end of the transition period. That is why there has been a ramping up of those discussions and of the technical discussions between the UK and the EU. The aim is to have another sort of stocktake in September, when the next specialised and joint committees are supposed to meet, with a view to their setting when they will make the decision, or when they feel they will be ready to make the decision in the joint committee. On the UK/EU future relationship negotiations, as I said before, the UK Government had hoped that they would have the outline of that agreement by July. That was their initial ambition, and that has been slightly delayed, but the EU is quite clear that it needs to have the legal text of an agreement agreed for the middle to end of October so that it can go through its ratification process to have it legally in place for the end of the year to start from 1 January.

We, as civil servants, would have liked lots of decisions a lot earlier in the process for our planning purposes, but we have a sense that there are deadlines by which those decisions have to be made to give clarity. That does not mean that it is any less challenging to do some of that, but it means that there are deadlines that are being worked to.

**The Chairperson (Mr McGrath):** It certainly sounds familiar. It is almost like Groundhog Day. If you have a particular date by which something needs to happen, there is a lead-in period for the process before that.

Another question that I had was about the customs element. Over and over again, the information that was coming from the EU side was that it was still lacking detail and timescales for the implementation of measures relating to customs and various things. I got a sense from it that the EU feels that a lack of detail is coming from the UK side. Is that being recognised and worked on? You get frustrated when you read in the same paper five or six times that it is lacking detail, lacking detail, lacking detail. How much pressure is being brought to bear to come up with that detail?

**Dr McCormick:** There is a lot of very detailed work going on, in fairness to the Cabinet Office team and the Departments that are working with it. There were over a dozen meetings on technical issues to do with the protocol the week before last. So, there is a lot going on. There are obligations on the European side as well. In areas where the UK wants to do things in a certain way, the initiative, therefore, lies with London to make a proposal. There is also an obligation in article 6 of the protocol where both sides are required to use their best endeavours to deliver an outcome that minimises friction in relation to Northern Ireland. It is in the section of the protocol predominantly dealing with NI to GB, but it is of wider application. So, the words are there. They were agreed in October, and they are quite precise on the scope and limits of what can be done there, but there is an onus on all sides to work.

From the Executive and ministerial point of view, there is a need to look for all sides to play their part in getting the best possible outcome. The business community, as you know, has been very vigorous in its activities. It has been lobbying and engaging very fully with the Business Engagement Forum that the NIO launched following the Command Paper, but it has not limited itself to engaging through the opportunities created by the UK Government. It has also gone out of its way to influence Brussels and has been trying to tell the task force in Brussels about the things that Northern Ireland businesses want. So, there is a lot of pressure, but there is genuinely a lot of detailed work going on to fulfil those requests. The obligation is to get this resolved, and that can happen only through a detailed process.

**Mr Beattie:** Andrew and Lynsey, thank you for your presentation. We are certainly in ground rush, that is for sure, as we come to the end of July. There is an awful lot to do and business requires clarity. It is so complicated. The negotiations are being done at such a high level that some of the detail is not getting to us to know exactly what is going on.

May I ask a couple of questions? The first one is about something that you said, Andrew. I am looking at this as a glass half-empty, as opposed to half-full, so, please, bear with me. You talked about subsidy state aid limits. Does that mean that there could be a state aid limit for GB fisheries that is higher than the state aid limit for Northern Ireland fisheries, because we are in that protocol with the EU, if we have to abide by those rules? You know what I am getting at.

**Dr McCormick:** Yes.

**Ms Moore:** I am not an expert in this, but the state aid will more likely be the same. It is about having a level playing field. The EU wants to have assurances that the UK will not give a competitive advantage by changing state aid rules so that they are dramatically different from the EU rules. That is the bottom line.

**Mr Beattie:** OK. Is the argument that the only thing that it really affects, as far as the protocol is concerned, is Northern Ireland, so, in essence, the EU would not be able to say to the rest of the United Kingdom, "We want you to keep your state aid levels in line with ours"?

**Ms Moore:** That is the question. The EU is saying that that is the issue with regard to the future UK/EU economic relationship and the free trade agreement. It wants a level playing field between the UK and the EU. The protocol sets out how state aid works in relation to Northern Ireland, and it basically mirrors what happens in the rest of the EU.



**Dr McCormick:** It flows from the *raison d'être* of the protocol itself, which links to the fact that goods will be in free circulation across the island. That is inherent in the outcome of the protocol. The measure in article 10 of the protocol in relation to state aid is to make sure that there is no unfair advantage being taken in either direction as a consequence of the unique arrangements that arise from the protocol. That is, if you like, a fixed point.

If there was no negotiated outcome, clearly, the UK would be at liberty to do whatever it likes in relation to GB and agriculture support. That is theoretical. In the real world, what it would do is much more likely to be conventional. If there is no free trade agreement, if there is no future relationship agreement settled at the highest level and if we end up with a non-negotiated outcome, there is, as Lynsey said, more that London could do in relation to subsidies. That is inherent in the nature of the relationship.

**Mr Beattie:** That is the worst-case scenario. That is the half-empty glass that I am talking about. Without a settlement, the worst-case scenario for fisheries, for example, is that GB subsidies could be higher than Northern Ireland subsidies.

**Dr McCormick:** I can remember way back to some of the initial discussions after the referendum. There was an awareness among the agri-food sector, including fisheries, that there was a risk that it would end up having different sets of pressures. One thing that the protocol guarantees is the access of produce into the EU, because there is that free circulation. There is a trade opportunity in that. The commitments in the White Paper, in NDNA and in the Command Paper are to unfettered access to the GB market, but producers have been well aware that there is the potential for some pressure on them in terms of competition. That is a genuine fact.

We will not know until all the negotiations — those on the detail of how the protocol is applied and the wider free trade agreement negotiations — have been settled. We are working very closely with London on the topic to make sure that we get the best possible outcome on this point and as good a level of permitted subsidy going forward.

**Mr Beattie:** It is one of those frictions and pressures that need to be addressed, along with 100 or 200 other things. Where are we at the minute in regard to security and justice cooperation in the negotiations?

**Dr McCormick:** That is one of the major desks and work streams in the negotiations. Again, there will be some changes in the way it works because law enforcement will differ, but the UK is looking for the best possible access to ongoing cooperation. The Department of Justice here, the Home Office in London and the Commission are involved in that and there is good awareness of what is going on. I do not have much detail on it, I am afraid, but there is quite a lot of common interest in making sure that systems can work after the end of the transition period.

**Mr Beattie:** OK. Do you think that we are getting the level of detail that we need on this? A lot of this will be dealt with at the higher-level negotiations — the UK-level negotiations — but are we getting that trickle feed of information?

**Dr McCormick:** I talk to DOJ officials and they are well plugged in. I do not have it myself, but I think that Justice officials' access to the process is pretty good in understanding what is going on.

**Mr Beattie:** OK. My last question is just to get your perspective on something, if I can. You spoke about the UK wanting to have a whole lot of separate agreements, whereas the EU was looking at an overarching agreement. If we go through the UK system and have all these small, separate agreements, would that mean that, post-31 January, we could still make small deals? Could we have an agreement without tying down some of the smaller minutiae and then make agreements on those details post-31 January?

**Dr McCormick:** I am not sure, but I think that might be theoretically possible. The one that springs to mind is data adequacy. Any third country can seek to have a data-adequacy agreement with the EU and, therefore, the time for that negotiation is not limited to a transition period in that sense. You could have a country looking for that arrangement. I think that, if my primary logic is correct, yes, there is at least some scope for timetables not to run. I think that the economic interest would remain to get all this sorted out as quickly as possible. The other point about data adequacy is that it is a very significant enabler of economic activity in the services sector and, therefore, it would be highly

undesirable for that to drift any longer than it has to. Theoretically, there probably is some scope for some aspects of negotiation to continue. Am I being prudent there?

**Ms Moore:** The main issue is that, at the end of this year, if there is nothing to replace the arrangements as they stand, they will stop and you will move to that third-country status. You have discussed them in the Committee before, but the Commission has all its readiness notices of how to deal with the United Kingdom being a third country to the EU after 31 December this year. The point is that those arrangements will then stop, and that means that you would have to move to a certain regime as a third country. Yes, while you could take time to negotiate, as Andrew said, as any third country could, there is a gap in that provision and, therefore, you would have to almost stop something, put in place a certain regime and then negotiate a new regime and put that in place. There is obviously an advantage to having it done by the end of the year so that one regime stops and another starts.

That is different for us because of the protocol that enters into force no matter what happens on the UK/EU negotiations. That is our kind of baseline that we know that we have from 1 January, so that is slightly different. This is why there was a difference of opinion between the UK and the EU on how to approach it. The UK thought that, if it was in smaller bundles, you could maybe agree some of those things as quickly as possible and move on, whereas the EU wants it to be more of a broader agreement. It is sort of a negotiating tactic on both sides in how they approach it. Yes, in theory, you could do it and agree some of those things later down the line, but you will have to put in place a certain third-country regime if you do not have another agreement in place.

**Mr Beattie:** I am sensing that the end of the year is a hard stop, not a soft stop. So, if you have an agreement that is 95% sorted by the end of the year, it will hit a hard stop. The point that I am making is: is it a hard stop? If it is 95% sorted and all it takes is a meeting in January, it is a soft stop not a hard stop. Do you see the point that I am making? If you have an agreement on a particular issue that is 95% sorted and we get to the end of the year, does the hard stop kill it dead or is there a soft stop that allows that last 5% to be fixed after that date? That is the point that I am trying to make.

**Dr McCormick:** You mean one of the raft of issues that there are in the negotiation.

**Mr Beattie:** Yes, exactly.

**Dr McCormick:** What Lynsey said would still stand; there would be a regulatory gap of one sort or another.

**Ms Moore:** It is quite complicated. I am not the expert on it, but there are some things where you can have an interim arrangement. One of the ideas has always been to get the free trade agreement agreed; there are different processes for the EU to ratify that, but other countries with free trade agreements with the EU — Canada, Japan and others — entered an interim arrangement on a temporary basis, with certain provisions that the EU can approve and enter into force. Then, the member states have a ratification process, so it enters into force slightly later. With the Canada free trade deal, the 14th or 15th member state only recently ratified it. So, some of those arrangements can be slightly less black and white in how they work, but the EU would still need to have something in place and approved before the end of the year for it to go into the next year even in an interim capacity. It really depends on whether it is all in one bundle or the simplified smaller agreements  
*[Inaudible.]*

**Mr Beattie:** It is fascinatingly complicated. Thank you.

**Dr McCormick:** Multidimensional chess.

**The Chairperson (Mr McGrath):** Pat, you indicated that there was something that you wanted to say about what Doug said. Do you want to make a small point before I pass over to Martina?

**Mr Sheehan:** It was just about security, but I am happy to wait.

**Ms Anderson:** Thank you both for your presentation. It is obvious that you are well across the subject, and I appreciate that we need to provide hope and optimism. However, like many other members here, I am dealing with a Chamber of Commerce, and the members of the Derry Chamber of

Commerce do not want tea and sympathy. They want clarity, they want to be prepared and they want to know what they will face in five short months.

As far as I am concerned, the British Government are prepared to throw the North out of a plane without a parachute. We are heading towards the cliff edge in five months' time. There is a view among many that Johnson, Frost and Cummings are playing around with the lives and the livelihoods of people in the North. People are aware now, even if they were not before, that we are set to lose £3-5 billion of European funding. Whatever about the level playing field with regard to the kind of potential funding from the British Government for farmers, fishermen and fisherwomen, we will not get that amount of revenue from the British Government to make up for the loss of European funding, which is 10% of our GDP.

To that end, given the concern that the business community has, what is your view of the comments that were made yesterday in the House of Lords by Minister Robin Walker? I do not know what planet he was on when he said that there would be no need for compensation for businesses in the North because they will not be at a cost disadvantage. Businesses are running on empty because of COVID-19, but they very much understand what could be at stake at the end of the year if we go over a cliff. I am concerned by the mindset that thinks that businesses here will not need any kind of financial support as they learn to deal with the outcomes of the negotiations. Do you agree with his assessment that businesses will not need that kind of compensation or financial support?

**Dr McCormick:** That will depend on how the negotiations that I talked about earlier are resolved. There are several different strands to what you have said. There is a Government commitment to the replacement of European funding and the way in which future UK funding would replace some of that. That is a —

**Ms Anderson:** Do we have the detail of that yet?

**Dr McCormick:** Not yet.

**Ms Anderson:** It is only a promise.

**Dr McCormick:** There is work to be done on it. Undertakings were given by the Chancellor of the Exchequer and the Government to replacement funding. The Department of Finance is well placed to engage with the Treasury on that and hold it to those promises.

**Ms Anderson:** Yes, but they still have no detail on that promise.

**Dr McCormick:** I accept that. Nevertheless, the undertaking is there. As to the impact on businesses, it depends on the extent of pressure. If some of the things that are proposed in the UK Government Command Paper, in relation to the mitigation of the operation of the protocol, are removed, the cost to businesses is reduced.

**Ms Anderson:** If that is agreed by the EU. The Command Paper is only the British Government's paper. That is not in agreement with the EU.

**Dr McCormick:** It is a set of proposals. You can have your own view of the merits of the different aspects, but they are certainly asking for things that would reduce the bureaucracy, avoid paper documents for customs declarations and streamline and minimise the checks on agri-food goods and so on. All those things are worth pursuing.

There is still scope, to the extent that unique costs are hitting Northern Ireland businesses, or traders who are moving goods in both directions across the Irish Sea, to argue for some degree of compensation. There is a rational argument that here are not too many jurisdictions in the world where, within a single jurisdiction, there are customs-related or SPS-check-related obligations because of different regulatory zones. There are not too many places in the world where that arises. This is a unique arrangement. It was absolutely central to the success, so to speak, of the negotiations in October. They got an outcome, and the opportunity for that arose partly because an agreement was reached in relation to the protocol. Why should Northern Ireland businesses carry the price of that?

We do not know what that price is. If the protocol is implemented in as soft a way as possible and there is a good free trade agreement, costs will be reduced. There still will be some cost. We will also

have some businesses across the water saying, "You are better off than we are. You, as Northern Ireland businesses, have access to the single market through an open land border. Is that not an advantage for you?" The argument that we have to raise is that unique costs apply here, as a consequence of the protocol. We need a precise and refined argument. That is definitely still to play for. It has got to be dealt with. It is for Ministers to consider precise tactics about that and what to argue for. It is for the Finance and Economy Ministers, especially, to work on what exactly we are asking for, and for the First Minister and deputy First Minister to bring that through at Executive level.

What is our ask? It needs to be reasonable and credible. We have things that are unique because of the operation of the protocol — there is an argument there. We do not know precisely what the outcome will be, but we should argue, on principle, that the unique imposition of costs, arising from this way of doing EU exit, should be borne in mind. We should be wary of the counterargument, from people across the water, including the Remain lobby, who will say that this is bad for the economy. The British Government's view will be positive on the nature of the policy, and they will not want to put it forward as a crisis. There is a range of considerations in how you play the argument, but there are definitely things that we need to fight and push for.

**Ms Anderson:** Given that 80% of our SMEs trade on an all-Ireland basis, many of them are thankful that there will be no hardening of the border partition in Ireland. That said, some of the larger businesses also operate east-west, and they want to ensure that they do not face financial penalties. Someone needs to disabuse Robin Walker of his view of the implications that that will have on businesses. I can tell you from talking to businesspeople in Derry — I am sure that it is the same across the North — that they are deeply worried and concerned. They do not feel prepared and do not have clarity. That is certainly the view of the Chamber of Commerce.

You mentioned the implementation of the protocol and the decisions. Has a stocktake been done on the implementation of the protocol? I know that you said that things are moving along, but has there been a stocktake of that? Running parallel to that and related to what you said earlier about some Ministers arguing for a particular derogation from the protocol, what is the Commission's view on that? If you were at both meetings last week, you probably have a handle or at least an insight into the window of its thinking on the potential derogation of the protocol if some Ministers or MLAs here were harbouring notions that that could take place.

**Dr McCormick:** In a sense, the specialised committee meeting was an overview or stocktake of progress. You have seen how both sides expressed their summary of that.

There is no question that there is a lot more to be done on resolving the issues. I talked earlier about getting those things into a place where there is a pronouncement that says, "After deliberation, the conclusion now is the following", and for that to be spelled out precisely and clearly to say, "When category X of goods is presented, here is exactly what needs to be done". It is also about how that links into customs declarations and agri-food checks for that very large and important subset of goods. That is all going ahead.

As I mentioned, there is an obligation on both sides to look for best endeavours to make it work as smoothly as possible. That is in article 6 of the protocol and the legislative framework. You will know, better than any of us, the nature of the legislative base that, in a certain sense, is what the EU is; it is a body of legislative provisions. It is right that every effort is made to make use of every flexibility and mitigation possible within the *acquis* and for that to be interpreted.

The SPS checks are, by definition, about safety. Not everything is checked. It would not be physically possible to do that, and it would be ludicrous to have 100% physical checks on everything. That does not happen anywhere, and New Zealand, for example, has an arrangement in which the level of physical checks is 2%. The argument has to be made — it is a valid argument that is being made quite strongly by DAERA — that the levels of checks should be proportionate and advised by the actual level of risk. There is genuine scope —

**Ms Anderson:** That is not a derogation.

**Dr McCormick:** That is not a derogation. That is potentially a mitigation or flexible interpretation of the *acquis* that will apply. This is where it is entirely right for the UK Government and DAERA, as a Department, to argue for everything possible. If things are at the margins of the rules or involve some creative interpretation or looking at that creatively and constructively —

**Ms Anderson:** It would not be possible for them to ask for a derogation. Some people are trying to suggest changing the protocol. That is not going to happen. That ship has gone.

**Dr McCormick:** No, not changing the rules. As you know, that would require Council, Commission and parliamentary processes in Brussels. The rules are not going to change. The absolute objective has to be to ensure that they are applied, interpreted and enforced in a way that is as smooth as possible and causes minimal friction. That is a very worthwhile journey. Everything that you said about businesses wanting clarity is absolutely true, and we are way into overtime from where we should be in giving clarity. However, it is better to delay and wait a little longer to get the best possible outcome.

**Ms Anderson:** We do not have the time to wait longer; the clock is ticking and ticking louder. This is the Committee's last meeting in July, and no meeting is scheduled for August; we will be back in the middle of September. It is said that, by October, it is over, because 27 member states have to go through their own legislative process. By that stage, we are weeks, if not days, away. You can understand that the Chambers of Commerce in Derry, Belfast and elsewhere are deeply concerned and worried.

The common framework is then piled on top of that, which we mentioned earlier. The common framework comprises the agreements, for instance, in this Administration between the British Government and the Executive. There are 151 common frameworks. The Committee was told that only 10 will be ready by the end of the year, so that leaves 141. The British Government have already produced seven progress reports — progress with a question mark. The last one that I can see is around May 2020, and then they list a number of phases that they will have to go through for the common frameworks. For anyone listening to this, it sounds like jargon. It does not mean anything to people's lives but, when you try to unpack what the common frameworks are, 63 of them are around transport, energy, the environment and rights. Pat will pick up on this, but 78 are around the judiciary, the Home Office and health issues. Twenty-one need legislation, and they are around agriculture.

The British Government have legislated that the common frameworks are policy areas and are within the competency of this Administration and Departments within the Administration. The British Government have told them that these areas will be frozen for two years and that the legislative run could be five years. A number of legislative areas will be frozen — for example, water and air quality. These are supposed to be within the competency of this Administration. Will they be transferred? Will they be here? With agri-food and issues around GMO foods and pesticides, people have deep concerns about some pesticides being carcinogenic. There is a big debate about that. There are also issues about roadworthiness tests for motor vehicles.

This is all happening at a time when we are coming out of dealing with COVID. There are 151 areas of competency that are under the Assembly and the Executive, and we are being told that, by the end of this year, only 10 of them will be ready for transfer. That is deeply concerning for all of us in the Committee. We need to understand the common frameworks better. Every Committee and Department needs to know the implications of those common frameworks. It is clearly a concern that, by the end of this year, when we could go over a cliff or be thrown out of a plane without a parachute, only 10 of the 151 areas will be within the competency of the Assembly. The rest will be frozen and in the hands of the British establishment. Where are we with all of that?

**Dr McCormick:** Lorraine is hopefully still connected and will be able to answer that fully, but this is all about the repatriation of areas that were previously legislated for at EU level. Unlike the areas that we have talked about in relation to the protocol and the implementation of the free trade agreement, these do not automatically change on 1 January. There is provision for continuity. There is less of a crisis about that. There probably is, in general terms, less time pressure on that area, because the question will be: what does the UK, or the devolved Administrations separately, wish to do with the new powers that are now the levers for either regulation, oversight or intervention in the economy of various kinds? There is scope to act in a new way when we are no longer part of the EU, but the actual imperative to act will be according to the routine processes of policy development in either the four parts of the country together, the four parts separately or in some other combinations, because the scope of the devolution settlements varies considerably between Scotland, Wales and Northern Ireland. Lorraine, can you answer that more fully?

**Mrs Lorraine Lynas (The Executive Office):** Hello. Can you hear me OK?

**Ms Anderson:** We can indeed.

**The Chairperson (Mr McGrath):** Yes.

**Mrs Lynas:** OK. I will give you an update on the frameworks. Yes, originally, 157 policy areas were identified where the EU law intersects with the Northern Ireland Assembly, and we are now at a stage where just over 40 of those are considered to require a common framework, with the remainder covered by existing interdepartmental agreements and working relationships. A reprioritisation exercise is done each year to look at those frameworks and then maybe move them around in the categories when they look at the arrangements that are already in place.

You are correct in that 10 frameworks have now been identified as priorities, and they sit mostly within the agri-food space, although we have things like agriculture support, animal health and welfare, food labelling and compositional standards, for example. Of those, three frameworks are expected to be fully operational by the end of the year, and they are on hazardous substances, nutrition and the emissions trading system. The remaining seven of those priority 1 areas will move into an outline framework, which will get provisional confirmation by the Joint Ministerial Committee (EU Negotiations), and we are working across the UK towards that happening from early 2021. Those provisional frameworks will be submitted to the relevant Assembly Committees for scrutiny, and those exercises will be taken in conjunction with England, Scotland and Wales.

The remainder of the frameworks are expected to move to an overarching agreement to govern relationships in those areas. We recognise the challenge of this project, and interim arrangements are being put in place to get those frameworks to a particular stage, and we would then continue to work on them into next year. The Government have committed not to use any of the section 12 powers within that, and that is really what we work towards across the UK.

An added complication will be the internal market consultation document, which was published just two weeks ago. The Executive will consider their response to that. That consultation document refers to the common frameworks. The common frameworks identified early on in the project that the internal market was going to be an issue, which is why it developed a separate work stream of its own. We need not only to look at the interaction of those common market proposals with the protocol but to look at the implications for the common frameworks programme and the powers returning to the Northern Ireland Executive. That will probably form part of the Executive's response. In their document, they set out that they felt that the frameworks were sector-specific, that you were not looking at effects in other sectors — that is, the spillover effect — and that they did not really address how the overall UK internal market would operate at the end of the transition period. We will be looking at all of that, as set out in the proposals, and how we see the frameworks programme has worked over the last three years.

**Ms Anderson:** I think that it would be helpful if the Committee had a document on the common frameworks and if we were given information about what progress has been made. For instance, I know that many of the universities would have hoped that mutual recognition of qualifications would have been a priority and one of those priority areas. From what I am hearing, that is not the case of the three that you outlined in the 10 priorities. Can the Assembly be provided with some kind of an explanatory note on this, and can the Committee be furnished with that kind of information? This is another layer that is going to come to come at us —.

**The Chairperson (Mr McGrath):** We were just, in a brief chat there, suggesting maybe that we might seek an oral briefing —

**Ms Anderson:** Briefing on that one in particular, yes.

**The Chairperson (Mr McGrath):** — on that specifically. We will generate a paper that we can get a look at.

**Ms Anderson:** Can the Committee be given some sense about what work was done to replace the Peace IV programme and where that is at with regard to Peace IV funding? Will the Executive be involved in the control of the design and the allocation of the new Peace IV?

**Dr McCormick:** The new programme is called Peace Plus —

**Ms Anderson:** Peace Plus, yes.

**Dr McCormick:** — and it brings together elements that were in Peace IV and continuity from that, and elements that were previously in INTERREG. The Department of Finance is in the lead on that, working very closely with the Department of Public Expenditure and Reform (DPER) in Dublin and the Special EU Programmes Body (SEUPB) to develop proposals for the content of the new programme and —.

**Ms Anderson:** Sorry, it is not the actual Peace Plus, it is the replacement of Peace Plus. Is that being worked on? I know that there is a consultation going on about Peace Plus and that the SEUPB is across that, but are we looking beyond that?

**Ms Moore:** That is a continuation of —. The current Peace programme runs out at the end of this multiannual financial framework, so the Peace Plus programme was proposed to replace it and to bring in elements of the cross-border programme of INTERREG, as it is called. The Peace Plus programme would run for the length of the next multiannual financial framework, which is from 2021.

Just last week, the European Council agreed the preliminary agreements on the multiannual financial framework on the figures, and, in that, there was a provision of €120 million for Peace Plus for Ireland. The conversations that are ongoing are for the UK, because the agreement on Peace Plus has been that, obviously, the EU will put money in for Ireland and the UK will pay money in for the Northern Ireland element. So there are still discussions — as Andrew said, the Department of Finance has the lead on this — with the UK Government on exactly what that contribution would be.

**Ms Anderson:** How does €120 million compare to previous contributions from the EU?

**Ms Moore:** I think that it is slightly more. It really just depends on what the final —

**Ms Anderson:** More from the EU than previously?

**Ms Moore:** Yes, to Ireland, it is slightly more.

**Ms Anderson:** To Ireland, yes.

**Ms Moore:** I do not have the exact figures in front of me, so I do not want to say the wrong thing, but I think that it is slightly more than was initially proposed by the Commission, so, in the course of the negotiations between the member states, slightly more money has been given to Ireland for the Peace Plus programme.

**Ms Anderson:** Is this to be matched by the British Government?

**Ms Moore:** That is another discussion that is still to happen, but I think that it is estimated to be roughly the same proportions as exists in the current Peace programme. I think that it would probably bring the amount of funding to roughly the same, or maybe slightly more than the current Peace programme. However, of course, in fact that brings in the cross-border element as well. So the negotiations — as you know, SEUPB is working on a consultation, and I know that there have been discussions, as Andrew said, with DPER and DOF on this, and also with the Commission. Of course, participation in the programmes and some of the technical things around that is part of the EU —

**Ms Anderson:** Are the Executive involved in the design and the allocations?

**Ms Moore:** There has been an Executive discussion, I think.

**Dr McCormick:** There is to be some more. It is still to come back to the Executive, but the point that stands is that the establishment of the North/South implementation bodies, following the Good Friday Agreement in 1998-99, gives a statutory role to SEUPB and the North/South Ministerial Council (NSMC) in looking at this kind of programme. That was in relation to Peace II. It shows how old I am that I was involved in all that, way back in those days. That is clearly a devolved and North/South locus, to be agreed by the two sides of the NSMC. The financing is still being discussed between London and Brussels, and they are working that all out. There are also still question marks about what level of match funding there will be from Executive funds. There are three bits: the European bit, and that applies to our side; the UK bit that goes into the pot; and then the intervention rate, which you will be familiar with in the rate of grant and hence what has to come from Executive funds. All those things

are being worked on to try to get the best possible outcome and the best possible continuity from all that.

**Ms Anderson:** It would be good for the Committee to be kept across that, too.

**Dr McCormick:** It is DOF's lead and area of expertise.

**The Chairperson (Mr McGrath):** Moving on, it is absolutely not my intention to curtail but to manage, because I am conscious that you have been here for an hour and a half at this stage, and we still have more members to ask questions. I do not want to try to take us — if we can keep our questions focused, then we can move on. I will move next to Trevor.

**Mr Lunn:** You always make that clear before you come to me *[Laughter.]*

**Ms Anderson:** It is not fair, Trevor.

**Mr Lunn:** *[Inaudible]* being the shortest speaker in the whole room.

**The Chairperson (Mr McGrath):** You always get to speak after Martina. I will let you fight that one out later. *[Laughter.]*

**Mr Lunn:** Thanks for your presentations. It is really interesting to hear the level of detail on what is happening and what, frankly, is not happening in these discussions, and also to hear some questions. I am genuinely interested, but I am pessimistic as well. In this thing, it is not the level of officialdom that worries me. If this was left to the officials on both sides, we would be a lot further on than we are now, but we are not.

**Dr McCormick:** I could not possibly comment.

**Mr Lunn:** I know you cannot, but it is just a fact. It is the political level that worries me. I am looking here at the UK Government report on the specialised committee meeting a couple of weeks ago. It says that you had a meeting — that is one paragraph. You discussed the preparatory work for future decisions — second paragraph. The UK reiterated its undying love for the Belfast/Good Friday Agreement, both parties noted the intensification of technical discussions, and the UK noted its intention to provide further guidance to businesses in the coming weeks. That is it; that is what it says.

I have said it before, and I will probably say it again next week, that the level of commitment on the UK side, compared with the level of commitment and ambition on the EU side, terrifies me. I can only see this, frankly, going one way, and the closer that we get to the end of October, the more likely it seems that we are just going to have to leave the EU without an agreement. It does not seem possible any longer to put this together.

At the bottom of page 28 in our papers, there is a 'Technical note on the implementation of the Protocol on Ireland/Northern Ireland'. In the section on "Next steps", it says:

*"The Commission expects the United Kingdom to provide the requested details, and detailed timelines, on the implementation measures it intends to take as a matter of urgency."*

Last month, when we had the same discussion, the EU was stamping its foot as well. There was a particular commissioner — I forget his name; it began with an S.

**Dr McCormick:** Šefčovič.

**Mr Lunn:** Yes. He was clearly irritated by the lack of progress or commitment on the UK side. The second line under "Next steps" says:

*"The Commission also expects the United Kingdom to enter into technical implementation discussions with the relevant Commission services immediately."*

Does that mean that it has not happened so far? That there have been no —?



**Dr McCormick:** The dozen or so meetings that I mentioned that happened the week before last were led by the Cabinet Office transition task force in London but involved the UK task force. That is Monsieur Barnier's team and, exactly as you quoted, the relevant Commission services: the directorate general for health and food safety (DG SANTE), for example, which deals with agri-food and safety and health issues; and the directorate general for taxation and customs union (DG TAXUD), which deals with customs and revenue. Those technical discussions are happening. We have had a degree of insight into the intense work going on between London and Brussels and a level of participation that is probably as good as we could have hoped for. There is genuine commitment and genuine progress being made on the technical discussions on the protocol. Those issues have to be resolved. The withdrawal agreement commits the UK and the EU to working together to get joint committee decisions on the four topics that I mentioned specifically — those that are provided for in the protocol — and on the general approach to implementation, where the UK wants to see things done a certain way. That could happen totally independently of what happens at the highest level between Monsieur Barnier and Mr Frost. Those talks could either be wonderfully successful and produce a very advanced free trade agreement, or lead to a non-negotiated outcome. In either scenario, the protocol would still be applied, and all the technical work on the protocol would still be done. That has to be worked out.

That is where we, as officials, and Executive Ministers are pushing as strongly as we can for the things that are in the interests of this region. From the Economy Department to the Department for Business, Energy and Industrial Strategy (BEIS), from DAERA to DEFRA, from the Department of Justice to the Home Office, and from the Department for Infrastructure to the Department for Transport, all these things are happening. An awful lot of work is going on across the Civil Service, all of it with some genuinely challenging political judgements to be made. There is a political complexity to the judgements about what matters most, about priorities, about what is acceptable and about what is consistent with the Good Friday Agreement, in all its dimensions. That phrase is always added on. It has to protect both North/South and east-west aspects. The important phrase is:

*"the totality of relationships within these islands".*

The fact that I remember that phrase shows my age. All those things need to be worked out, and an awful lot of genuine work is going on at a political level and at official level to make progress. It is challenging — there is no denying it — and it could yet end up in a whole range of different places. The important thing is that all of us support the ministerial team. As officials, we try to make sure that the points about our interests are made as effectively as they can be.

**Mr Lunn:** I do not doubt your commitment to this at all. It shines through in everything that you say. However, I still worry about the top-level commitment. I worry about the UK appearing to demonstrate disinterest, almost contemptuous disinterest at times, as opposed to the European interest and frustration. I really do not know where this is going.

There is one small point. You mention the fact that the EU has given ground, apparently, on the requirement for an office here to oversee the customs arrangements and so on. At least that is a decision, even if it is not to do something. Without a base here, what form could EU representation in the oversight of the arrangements and so on take, if they ever come into place?

**Dr McCormick:** I cannot remember the precise wording of article 12, but it provides for supervision, and there is a range of ways in which that can be done. It depends on frequency: is it always pre-announced and pre-planned? What is the nature of it? That is not a devolved responsibility, so we have no say or influence on it. Of course, there is a range of different views. Back when the proposition was to have an office, there was a range of different views among the parties in the Executive. That is just natural. We have not been asked for a view, as such. This is being worked out between London and Brussels and will be part of a package of outcomes. It needs to happen soon, but that one at least does not affect business preparation quite so much, so it is not quite so much on the critical path.

**Mr Lunn:** I will leave it at that before I bring the house down with my eternal pessimism.

**Ms Anderson:** You are not alone.

**Mr Lunn:** It could not be much worse than it is now. How long do we have to go?

**Ms Anderson:** It is a disgrace.

**Mr Lunn:** It is two months until October, and we are nowhere.

**Ms Anderson:** We will be over a cliff.

**The Chairperson (Mr McGrath):** I feel, Trevor, that we have left you on an awful downer. We will speak to you afterwards.

**Mr Lunn:** I am seeing a few nodding heads here.

**Mr Sheehan:** I was going to ask some questions about the common framework, especially security, cooperation on policing and justice, and health, particularly, in the context of the current pandemic, about cooperation on public health issues. However, since we are to get a briefing on that at some point, and given the admonishment from the Chair about being brief, I will defer. I will ask you this: can you give us some sense of the amount of legislation that will come before the Assembly before the end of the transition period?

**Dr McCormick:** There is quite an extensive programme. Lorraine might have the figures in front of her to give you. A number of primary Bills need to come through the Assembly, and some primary legislation that has an impact here needs to go through Westminster. A large amount of subordinate legislation also needs to be made, a significant proportion of which requires affirmative resolution and, therefore, Assembly time. Lorraine, do you have the figures?

**Mrs Lynas:** You have put me on the spot. If you keep talking for another minute, I might be able to find them for you.

**Ms Anderson:** It seems like a lot.

**Dr McCormick:** It is a lot.

**Mr Sheehan:** You may want to leave that for a minute, Andrew.

**Dr McCormick:** It might be handiest to come back to you. It is a bit of a moving feast in that a Department might decide that what was to be two separate instruments can be rolled into one. In a way, the numbers are one factor, but the degree of complexity matters as well. That all needs to be looked at.

It is a very significant programme and will need to be prioritised because we need to have a functioning statute book as of 1 January 2021. That is essential. The areas most affected are the economy and agriculture, and the Economy and Agriculture Departments are the two Departments that have the largest volume of legislation. That is partly because they are the ones dealing with issues that regulate the economy, which is where things are changing because of the end of the transition period. So, there is a lot to be done, for example, on the single electricity market, and the work on that is progressing very well. There is good engagement between DFE here, BEIS in London and the Commission, but primary and secondary legislation still needs to progress through Westminster and through the Assembly. It is probably best if we get you a note on that.

**Mrs Lynas:** Andrew, I can come in on that now, if you are happy enough. In total, there are eight Westminster Bills and three Assembly Bills. In the last monitoring round, there were 114 statutory instruments and 77 statutory rules.

**Mr Sheehan:** We are going to be busy.

**The Chairperson (Mr McGrath):** It is like January all over again.

**Mr Sheehan:** Cancel the Christmas holidays. Anyway, thanks for that, Andrew.

Finally, there is a North/South Ministerial Council meeting this Friday. Will Brexit be a priority issue at that, along with the implementation of the protocol and implications for cross-border cooperation?

**Dr McCormick:** Yes, as I understand it. I think that that is right. Of course, technically, it is called the 'Protocol on Ireland and Northern Ireland', and that is the heading in the document. There are some very important North/South interests in that. Now that there is a Government in place in Dublin, some things can progress that were probably on hold in the absence of that for the past number of months. There is a lot of work to be done. There are specific provisions in the protocol on North/South cooperation and on the roles of the NSMC and the implementation bodies. Certainly, there is a programme of work that needs to be built up and developed. We have had some good engagement with officials in the Department of the Taoiseach and the Department of Foreign Affairs. That is progressing well.

**The Chairperson (Mr McGrath):** I will go to StarLeaf now and start with Emma, who was on first. Emma, have you any questions that you would like to ask?

**Ms Sheerin:** You will be relieved to hear that I do not. That was quite an exhaustive briefing. The questions covered everything that I wanted to ask. Everything that has been said today just reiterates the concerns that have already been outlined by Trevor, Martina and others, in that we are walking blind. There is cause to be concerned here, and cause to be depressed. That is my contribution.

**The Chairperson (Mr McGrath):** Thank you, Emma. George, do you have anything that you want to add? Be careful with your microphone, George. Just remember to unmute it before starting.

That was your video that you switched off there, George. Maybe pop it back on, and your microphone, and then we will get to you.

**Mr Lunn:** Try BBC 1.

**The Chairperson (Mr McGrath):** OK. I think that we are having —.

**Mr Sheehan:** I think that he must have switched himself off.

**The Chairperson (Mr McGrath):** I think that he has switched himself off.

**Ms Anderson:** It is easily done.

**The Chairperson (Mr McGrath):** Unfortunately, he has waited an hour and 50 minutes to ask his question.

**Ms Anderson:** God love him.

**The Chairperson (Mr McGrath):** Well, if he pops back on by the time we conclude, we will draw him back in again, but we are unable to help there, I am afraid.

There are just two or three things that were mentioned during the meeting. We requested a written briefing on the Peace Plus programme, and then we will get an oral briefing on the common frameworks and the level of work from there. If we could get those scheduled, that would be appreciated.

Thank you very much. It has been nearly an hour and 50 minutes of a briefing. It is a very technical process, and it is clear that members remain concerned. We do not underestimate, in any shape or form, the amount of work for you in the months ahead. We wish you well with that. Thank you for giving your time today. It is good to meet you, Lynsey. We look forward to seeing you again soon. Thanks to Lorraine, who was on the phone. Thank you.

**Dr McCormick:** Thank you.