

DÁIL ÉIREANN

AN COMHCHOISTE UM GHNÓTHAÍ AN AONTAIS EORPAIGH

JOINT COMMITTEE ON EUROPEAN UNION AFFAIRS

Dé Céadaoin, 9 Nollaig 2020

Wednesday, 9 December 2020

Tháinig an Comhchoiste le chéile ag 9 a.m.

The Joint Committee met at 9 a.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	Seanadóirí / Senators
Dara Calleary,	Lisa Chambers,
Seán Haughey,	Regina Doherty,
Brendan Howlin,	Michael McDowell.
Ruairí Ó Murchú,	
Neale Richmond.	

Teachta / Deputy Joe McHugh sa Chathaoir / in the Chair.

Brexit Issues: Members of the House of Commons

Chairman: Apologies have been received from Deputy Harkin.

We are looking forward to this morning's engagement on what is a live and relevant topic. Yesterday was a significant and historic day in Anglo-Irish relations and vaccinations and was a cause for celebration on both sides of the pond. Well done to everyone involved. The matter the committee will discuss today is the future relationship between the EU and the UK. We were encouraged by positive news yesterday about the United Kingdom Internal Market Bill. While committee members may still have a few questions about the Bill, the situation has moved on in some regards. It is a busy time for the House of Commons and I thank our guests for taking the time to engage with us.

Before we begin, the witnesses are directed that only evidence connected with the subject matter of these proceedings is to be given and are asked to respect the parliamentary practice to the effect that, where possible, they should not criticise or make charges against any person, persons or entity by name or in such a way as to make him, her or it identifiable. I wish to advise those witnesses giving evidence from a location outside of the parliamentary precincts to note that the constitutional protections afforded to witnesses attending to give evidence before committees may not extend to them. No clear guidance can be given on whether, or the extent to which, evidence given is covered by absolute privilege of a statutory nature. Persons giving evidence from another jurisdiction should also be mindful of their domestic statutory regimes. If they are directed by the committee to cease giving evidence on a particular matter, they must respect that direction. Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official either by name or in such a way as to make him or her identifiable.

We have decided in advance that there will not be opening statements. Mr. Benn might give us a brief introduction to his team before we start firing a few questions across the way.

Mr. Hilary Benn: On behalf of the representatives I thank the Chairman and his colleagues for inviting us to give evidence. The timing of the committee is impeccable although the story is not over yet. I have with me today four other colleagues from the committee. They are Nigel Mills, who is the Conservative MP for Amber Valley and who is the vice chair of the committee, Sally-Ann Hart, the Conservative member of Parliament for Hastings and Rye, Dr. Philippa Whitford, the SNP Member of Parliament for Central Ayrshire, and my Labour Party colleague, Stephen Kinnock, who is the Member of Parliament for Aberavon. We are awaiting the questions of the committee with anticipation and interest and looking forward to today's session.

Chairman: I thank Mr. Benn.

Deputy Neale Richmond: I thank all of the witnesses for joining us, albeit virtually, at this meeting. I look forward to us being able to engage in person in London or Dublin in due course and I hope, as the Chairman said, yesterday's news might get us a little bit closer to that.

I want to touch on a couple of issues as we have laid out. I want to start on the Internal Market Bill. While the announcement yesterday was welcome, I do not think it was necessarily as big a deal as some people were making out. I am interested to hear the witnesses' take on when we can expect the detail on how the British Government will implement the full terms of the protocol, what they expect to feed in, and what knock-on effect it would have, not just for North-South or east-west relations as it pertains to this island but also on how it will impact on

the devolved nations throughout the United Kingdom, and I am particularly interested to hear from Dr. Whitford and Mr. Kinnock in that regard.

Moving on to something more general, whatever happens come 31 December relations will change greatly. Mr. Benn and Mr. Mills have exchanged a number of times through these committees on the opportunity for bilateral relations and Anglo-Irish relations, and how as parliamentarians, leaving aside governments' responsibility, we can maximise the institutions of the Good Friday Agreement across all our Parliaments to ensure we do not let go of the level of co-operation that is there between the UK and Ireland that, sadly, is being taken away by Brexit.

I will pick on the witnesses individually. Talks are in the ether in Brussels and certainly it is my opinion and, I assume, the opinion of my colleagues that a deal is in everybody's interests, especially those of Ireland and the UK. From the point of view of the witnesses, do they expect a deal? Do they hope for a deal? Where do they believe the shape of a deal may appear in the coming days? I thank the witnesses for appearing before the committee and I look forward to hearing from them.

Mr. Hilary Benn: I will begin. I thank the Deputy for these questions and it is good to see him again virtually. On the Internal Market Bill, because the announcement was only made yesterday we have not had a chance as a committee to discuss it but I very much welcome the agreement that was reached yesterday. Michael Gove will be making a statement in the House of Commons later today and we anticipate we will hear more detail about how exactly the agreement in principle has been reached. It has yet formally to be ratified, as I understand it, by the joint committee but there will be a meeting before the end of the year. We read in the reports that agreement has been reached, for example, on how supermarket lorries bringing supplies to Northern Ireland will be dealt with, and it appears exit summary declarations on goods moving from Northern Ireland to Great Britain will not be required.

There is political significance. Obviously there is a history to the Internal Market Bill, and various members of the committee from different parties will take different views on what the Government did, but at least an agreement has been reached because clearly there has been compromise on both sides. This takes me to the Deputy's third question on the talks. I have always thought there would be an agreement because the alternative is unthinkable. It would have a big impact on the United Kingdom economy. We saw that with the Office for Budget Responsibility report a couple of weeks ago. We have discussed on our visits as a select committee to Dublin, and as the Deputy knows we have been twice, the impact it would have on the Republic of Ireland. It is in nobody's interests and, therefore, it is the responsibility of the negotiators, and the politicians who give them their instructions, to find the middle ground which can be done. That is how agreements are concluded.

The bilateral relationship it is hugely important. It always has been. I hope it will be strengthened in the future. We will need to make the fullest possible use of the institutions that were created under the Good Friday Agreement because the relationship we have as joint members of the European Union will no longer be there. I am sure I speak for all members of the committee in saying that a strong relationship between the United Kingdom and the Republic of Ireland is something we are all very much committed to because we are bound together by so much history and so many shared interests now and in the future.

Mr. Nigel Mills: I have missed my trips to Ireland this year with the Northern Ireland Affairs Select Committee and the British-Irish Parliamentary Assembly, BIPA. To share solidarity with the British-Irish Parliamentary Assembly I thought I would wear the tie this morning.

I have always thought a good deal between the UK and EU was by far the best way of delivering Brexit. It is going to be a messy January with people not being prepared because they did not think they would need to or because they have not worked out how to do it. Having a messy compliance process on top of a real economic change would make for a really bad start to Brexit. It is clearly in everyone's economic interest to do a trade deal. There are all the other aspects of the future partnership we want to see also, which go far beyond trade. I would hope to see one. I have always expected to see one. I have spent most of the year asking witnesses what percentage chance they give of a deal, but I suspect that percentage has somewhat come down from the heights of more likely than not or the 66% that Michael Gove used to give us. It seems to be a lot harder and getting a lot later than any of us thought possible. Who knows what the ratification process will be if we do see a deal. I still think that is the most likely outcome but there will need to be some compromise on both sides to achieve it.

On the relationship, we will all miss the daily interactions that officials could have through EU channels and we need to find a way to recreate them. We do have institutions for it through the Good Friday Agreement for North-South and east-west. I am not sure the east-west interactions have been as effective or valued as perhaps they could have been and perhaps we need to find a way to reinvigorate them. I recall about a decade ago, when David Cameron first became Prime Minister, they had a go at it and perhaps it is time to re-energise it. We need to raise the importance of the British-Irish Parliamentary Assembly as a liaison for parliamentarians. It meets but sometimes it struggles to get very good visitors or witnesses. That is probably a weakness on the UK side. On the Irish side we had the Minister, Deputy Simon Coveney, at the previous one in Ireland last year. There is almost a choice between holding the meetings somewhere interesting in the UK or Ireland or holding them in London and Dublin and having the best possible people coming to speak to the assembly. It is to be hoped on both sides we can re-energise it and at least find a way to meet virtually soon if we cannot do it physically for a little while longer.

On the Internal Market Bill, it is always going to be a challenge with the Northern Ireland protocol. There is a lot of text in the withdrawal agreement on it but not a lot of it is very precise. It is a very unusual situation to have part of one country sort of in the customs area of another area, or mainly in the customs territory of its home country but in the Single Market of another. Much of the detail of how we make this work would have to be agreed with good co-operation and spirit on both sides. It is regrettable we could not get around to that spirit of co-operation and trying to finesse another compromise until three weeks before it comes live. To make it work there will have to be truly very close working between our tax authorities and your tax authorities. It is very sad that four and a half years after the referendum we still have not quite got that good working on the ground. They need to get that up and running pretty quickly in the new year between the tax authorities. Many of the issues on the ground could be solved by joint working, compromise and flexible use of information that both sides have to tackle the real issues that will be there. It is to be hoped, as we move forward, that we will be able to get that joint working up and running much more quickly.

Mr. Hilary Benn: I thank Mr. Mills. I believe all of my colleagues would like to come in on this round. I suggest we take Ms Hart next and then Dr. Whitford, if that is okay.

Ms Sally-Ann Hart: I wish everyone a good morning. It is lovely to see you all. I absolutely concur with what Mr. Mills has said about the British-Irish Parliamentary Assembly and the council. It is absolutely vital that we forge a future relationship together. Ireland is our closest neighbour. We have a long history, some of which has been difficult at times. We must,

however, move forward with that close economic relationship, mutual investment, research and development and so on. I know this is something the people of Ireland will want to pursue and continue with as well. That is really important.

With regard to the United Kingdom Internal Market Bill, we do not know the detail of the agreement in principle Mr. Michael Gove reached yesterday, but it seems there might be some real positives involved, including with regard to determining the criteria for goods considered at risk when moving from Great Britain to Northern Ireland. I know that has been an issue in the past. The exemption of agricultural and fish subsidies from state aid rules also seems to have been agreed in principle, as does the final list of the chairpersons of the arbitration panel for the dispute settlement mechanism. Moving forward, there seems to be some agreement in principle. I understand there needs to be an agreement which both the EU and UK will, at some point, ratify, going through the normal processes with their parliaments. The joint committee will be reconvened to formally adopt such an agreement. It is to be hoped it will come back later this week or at least before Christmas. In saying all of this, I am only saying what I feel. I am not speaking for the Government. I think it is fair to say that is the case for all of us.

Regarding negotiations on the deal, I absolutely agree with Mr. Mills and Mr. Benn that a deal is the best possible outcome. I am really hopeful that a deal can be agreed. There are some sticking points, particularly on the level playing field, state aid and fisheries. These are matters of sovereignty. It is really important that the EU understands that we voted to leave not because we did not want a future relationship with the EU, but because we wanted to re-establish our sovereignty. That is really important. When we are looking at a future relationship, it is all very well to seek control over us in the future, but it is really important that we get on and have a relationship in which neither party has further control over the other. We have to have that equality in the relationship. That is what I would really push.

Dr. Philippa Whitford: I thank the Chairman and the committee for the invitation. One of my biggest concerns about a no-deal outcome was that it might turn acrimonious and that we could enter a downward spiral of months of both sides blaming each other and being unwilling to talk. There is no question that there has to be a future relationship. The UK is still very close to Europe and Europe is still geographically very close to the UK. Whatever that relationship might be, there has to be one. One of the positive things we have seen this week is the intensification of talks and the seeking of solutions. Regardless of whether there is a deal, I am more hopeful that there will not be an acrimonious, mud-slinging end to all of this, which would be detrimental to both sides.

From my point of view as one who is completely not a supporter of Brexit, I believe that any deal reached will be fairly thin. There are many sectors which it will not cover. The bureaucracy and delay at borders will arise whether there is a deal or not. The fishermen in my constituency will not gain from leaving the Common Fisheries Policy because they fish langoustine, which is a non-quota catch. They will, however, now face multiple pieces of paper, bureaucracy and the threat of border delays which will devalue their produce. They are anxious as to whether they will even survive. Some of them are talking about registering their boats in Northern Ireland, if possible, to allow them to have access to the Single Market. This is not a comprehensive deal which covers finance and a range of other sectors.

Agreement has been reached on the Northern Ireland protocol, and that is definitely a positive step forward. Being from Belfast, it is clear to me that not much thought was given to Northern Ireland back in 2016. The Northern Ireland protocol was a sudden recognition of the difficulties described by Ms Hart and Mr. Mills. The main thing is that there is now a drive to

move away from hard positions and to find practical solutions for Northern Ireland. The protocol, of course, applies whether there is a deal or not.

With regard to the UK Internal Market Bill, my understanding is that the House of Lords will now be asked to insist on its amendments, which would remove sections 44, 45 and 47, which include the offending provisions with regard to Northern Ireland. As a Scottish Member of Parliament, I note that this does not remove the anti-devolution parts of the Bill. From the point of view of Northern Ireland, which as I understand is the main interest of the committee, the common frameworks which had been worked on for three years and which allow for a way through divergence while still respecting the devolved governments' right to innovate, tend to drive standards up. The Welsh Government was the first of the devolved governments to introduce the plastic carrier bag levy and Scotland's was first to introduce the smoking ban, minimum unit pricing for alcohol and a ban on plastic cotton buds. Under the UK Internal Market Bill, the lowest standard must apply. That is not just the case for British manufacturers, but for anything that is imported to any part of the UK. The danger and the concern in the devolved nations is, therefore, that this would drive standards down because any Scottish or Welsh regulation about standards would only apply to their own producers. This would disadvantage those producers without preventing substandard produce being sold in those territories. This completely undermines the sort of innovation we have seen from all three devolved nations over the last 20 years.

With regard to the clause about spending in devolved areas, if one looks at the list, one sees that it includes almost every devolved area. Westminster would take power over that spending rather than the devolved governments that understand what the needs are. I know this is presented as a way of binding the union together but, from my perspective north of the border, this is like trying to sort a bad marriage by locking one's wife in the house and taking away her chequebook. The way to strengthen a union is through respect and by allowing the devolved nations to continue with the powers they have rather than taking powers away. From the point of view of strengthening the union, regardless of which of the three devolved nations one considers, the UK Internal Market Bill is going in completely the wrong direction.

Mr. Stephen Kinnock: My colleagues have covered a great deal of ground but I will briefly add to the discussion on the deal and the negotiations. I fully welcome any move to take the pragmatic steps that need to be taken. A deal is there to be done although it is clear both sides will have to compromise. We will hear more from Mr. Michael Gove regarding the detail of what has been agreed in respect of the Northern Ireland protocol, but it appears that pragmatic compromises have been made. It is interesting to note that EU customs officials will be stationed in Northern Ireland. I am not quite sure how that squares with the very purist interpretation of sovereignty some have applied to these negotiations. Nevertheless, it has been agreed and will clearly need to happen to make this whole deal workable.

On the impact of the UK Internal Market Bill on devolution, I completely agree with what Dr. Whitford has just said about the impact on the relationship between the UK Government and the devolved administrations. It undermines trust and the ability to co-operate and communicate in a constructive manner. We are worried that it could initiate a race to the bottom towards the lowest common denominator, in that, as goods enter the UK market, they become the standard across the board. We are also concerned about it being a power grab in Wales, with UK Government ministers essentially being given the power to change the basic rules without the approval of the devolved parliaments and, in some cases, without even having to consult them. We are worried that the hard-won rights and standards of Welsh producers, who

are proud of the fact that Wales produces to the highest possible standards, could be undermined and different ones imposed by the UK Government almost by diktat. The response from the Welsh Government and Welsh Members of Parliament is deep concern about the impact of the Internal Market Bill on devolution and what it means for a modern 21st century governance arrangement, which has to be based on co-operation and communication, not imposition.

Chairman: I thank the witnesses. That was a good opportunity for them to set out their stalls and we are grateful for the overview. If it is agreeable to Mr. Benn, I might take one committee member and Mr. Benn might nominate one of his colleagues to respond. I want to get every committee member in, but we only have half an hour or so left. I call Deputy Calleary, followed by Deputy Howlin.

Deputy Dara Calleary: I thank our colleagues. It is good to see them, albeit virtually. If they were betting at a racecourse, what would be the odds of a deal today? Yesterday was significant, but when Mr. Benn was last in the Oireachtas - I believe it was May 2019 - we were all negative about the prospect of getting a deal. As such, it can be done. Were the witnesses to bet on a deal, what would be the odds?

Mr. Kinnock spoke about a race to the bottom in the context of Deputy Richmond's question around devolution. We on this side are hearing that one of the main issues of divergence is the level playing field. The witnesses know that it is meant to stop a race to the bottom in workers' rights, environmental issues and standards, which the EU has been important in pushing. In a trade deal, what is the bottom line in respect of those issues?

I was intrigued by Dr. Whitford's comment about fishing. We are told that fishing is the other main issue. Our fishing industry is incredibly exposed to Brexit and our fishermen do not have the opportunity to re-register. For the UK, is this issue totemic or real and what are the prospects of a compromise?

Chairman: Deputy Calleary nominated two of the witnesses, so I might invite Deputy Howlin to speak now so that he might ask questions of another of the witnesses. This will work. I am confident and optimistic.

Deputy Dara Calleary: I just thought I was asking questions, but I have undermined our Chair.

(Interruptions).

Deputy Brendan Howlin: I wish Mr. Benn a good morning. It is good to talk to him again. The last time I shared a Brexit platform with Mr. Kinnock was in the incongruous setting of the Beatles museum in Liverpool. It brought a surreal dimension to a serious debate.

We need to see the detail of what was worked out by the Gove-Sefcovic negotiations yesterday. Until I see the document, my authority is Mr. Tony Connelly of RTÉ, who published a briefing this morning that indicates there is a great deal of unsettled business. When we see the detail, I do not think this will be a finished matter and I believe there will be some pushback, but we will wait and see.

Regarding the trade agreement, we constantly talk around the same three issues. We throw in words like "sovereignty" as if sovereignty only applies to one side. Obviously, the sovereignty of the Internal Market has to be protected as well.

I will focus on the next phase because the other two elements are largely outside our control. A deal will be struck in the next few days or it will not. I am deeply concerned about the future consequences for relationships between Ireland and the UK in particular. Obviously, the relationship between Ireland and the EU is important, but the relationship between Ireland and the UK is strategically important for us all. If there is no deal, there will be a fair degree of acrimony, which will make getting back to the table for the inevitable deal that has to be struck much more problematic and difficult.

As parliamentarians, we can play a part in addressing some of these concerns. Mr. Mills mentioned the British-Irish Parliamentary Assembly. I am a new member of it and hope to work on the economic side, which will be important. The BIPA has functioned, but we can revitalise it in a way that has not previously been done and that greatly strengthens the bilateral relationship that will be significantly dislodged if there is a thin deal, which is the best option on the table right now, or seriously impacted if there is no deal at all. I would be interested in whoever Mr. Benn nominates addressing the aftermath and how we can work together as parliamentarians to ensure the strongest co-operation and economic reconnection. For example, Ireland has opened a new consulate in the north of England as part of our preparations, but that is only one in a series of steps that we need to take.

Mr. Hilary Benn: I thank the Deputies for their questions. I will nominate a few colleagues to take bits of those. Regarding the odds, I will hand over to Mr. Mills because every time Mr. Michael Gove appears before us, Mr. Mills asks him how he rates the odds. Perhaps he could also address the point about the BIPA.

Mr. Nigel Mills: I ask for odds because it means one can avoid platitudes and long-winded answers that tell us nothing. In danger of being hoisted by my own petard, the odds are probably 50:50. I used to think it would be more likely than that, but we are in a late stage. The bookmakers are marginally in favour of a deal happening if Deputy Calleary wants to put money on it, but I would not recommend that.

The BIPA has not met this year for various reasons, including the elections in both nations, and it must be reformed. Covid also means that we cannot meet physically. There is a need to review the BIPA's committee set-up. Some are more active than others depending on who the chair is. There is probably a role for a committee to examine UK-Irish relations, how they could be enhanced and what institutions could be put in place to make them work on a day-to-day and week-to-week basis. The last few BIPA sessions were a little dull and interaction and networking were not happening as they ought to have. A wholesale review of the BIPA is needed now that our relationship has changed, but it is the right institution. It just needs to be brought forward the 20 or so years since it was formed.

Mr. Hilary Benn: Does Dr. Whitford wish to address the point that Deputy Calleary raised with her about fisheries?

Dr. Philippa Whitford: Yes. Fishing is a largely totemic issue, in that it is a small part of the overall UK economy, but it is critical for vulnerable coastal communities. In Scotland, I think of the island communities in particular. For them, it is a large part of their economy and local cultures and structures. It is an important industry in certain areas. Scotland has the majority of the UK's fishing industry.

It seems to be the key sector where people supporting Brexit could come up with a positive, as in the UK gaining more quota by leaving the Common Fisheries Policy. A lot of the

problems with quota in the UK do not relate to the Common Fisheries Policy. In Scotland, 80% of boats share just 1% of quota. In England, it is 77% of boats sharing 3% of quota. That is because quota in the UK was allowed to be bought and sold. Indeed, many skippers sold their quota to Dutch and Spanish fleets, and that does not change.

There is a lot of talk about the benefit of extra quota for the catching sector of the industry. Particularly if we have a no-deal with tariffs, the more one processes that fish, whether one trims, freezes or smokes it, the more tariffs start to climb.

Of course, we also have the live industry and the fresh industry. For them, the sudden imposition of paperwork and the cost of that paperwork as well as the delays that are expected between Dover and Calais would mean that the langoustines that come from my constituency could be worthless by the time the product arrives in Europe or significantly more expensive. If tariffs of 12% were introduced, it is estimated that would be £1 per kilo and as the boats are only paid £4 per kilo then that is a significant loss from the supply chain.

The attitude was one of we will get all of this quota back. However, the industry is much smaller than it was so it would take time to build up. The problem is that the UK exports about 70% of what it catches but imports about 70% of what it eats so we need a market to sell the fish we catch into and that just was not discussed back in 2016. It has been held up as a totemic issue but my local fishermen and, indeed, fishermen across Scotland, including the big players, are now very concerned about what the reality of Brexit means for the fishing industry.

Mr. Hilary Benn: I will respond to the question that Deputy Calleary asked about a level playing field. We need to be clear that there is a difference between non-regression, on the one hand, and a ratchet, on the other hand. It is perfectly reasonable to say we are going to negotiate a deal and we know where we all are at the moment, as we have common standards because we have all been in the European Union together. What is clearly not acceptable to the UK Government is the suggestion that if the standards are raised in the EU there should be an obligation on the UK to raise them in the same way. That is not going to work. Although of course, in the EU, we have always been able, as individual member states, to improve on environmental or workers' rights standards if we wanted to and, therefore, it seems to me that is a fair and reasonable basis.

The second thing we all know is that one must have a dispute resolution mechanism and ultimately someone has to decide. It is not going to be the European Court of Justice because the EU started out by saying, we would like them to do that, and that was never going to be acceptable to the current UK Government. It is not going to be the Supreme Court of the United Kingdom. It is going to have to be an independent arbitrator and that is what the withdrawal agreement provides for in Article 16 of the Northern Ireland protocol. The principle there is of an independent arbitrator ultimately deciding alongside two other people, with one from each side. That, it seems to me, would be the shape of a sensible agreement on a level playing field.

It is good to talk to Deputy Howlin again. I really do worry, as all of us do, about the economic consequences of a no-deal for both of us but also politically, as Dr. Whitford pointed out earlier, about what that would do because there will be recrimination. Of course each side will blame the other. We all know who is going to blame who. That is why in the very short amount of time that we have left, the responsibility on all of us who are watching - we are spectators to the negotiations - is to say to the negotiators, and the political leaders "you must do your job, you must deliver a deal". As Prime Minister Boris Johnson said with which I agree, and I do not agree with him on many things, it would be a failure of state craft if there was no agreement.

We cannot possibly have no agreement because the stakes are far too high. That is why I think all of our voices should be saying loudly and clearly, to give encouragement to the negotiators, “do what is necessary in order to bring home an agreement”.

Mr. Stephen Kinnock: In terms of the bottom line and a race to the bottom, Mr. Benn is right that the negotiations are about finding a compromise that enables there to be standards and regulations where one side does not feel it is being undercut unfairly. In the end, whatever the deal is, we are going to need to hear a clear message from the UK Government that Brexit is not going to be a vehicle for cutting environmental standards and workers’ rights because that is about what kind of economic model we want to have as a country after Brexit. Do we want to become a sort of very low standard, low regulation and undercutting hub off the north-western coast of the European Continent or do we want to compete globally by being an absolute superpower in setting standards and regulations? In essence, that is the post-Brexit vision and is a huge piece of this jigsaw puzzle that has not been provided yet in terms of what actually is the post-Brexit vision for the United Kingdom. Obviously the negotiations are ongoing but that is going to be the huge question going into 2021.

Mr. Hilary Benn: Ms Hart has raised her hand. I was going to give her an opportunity to point out that the Government has repeatedly said that it has no intention of doing that but perhaps Ms Hart would like to say that from her particular perspective.

Ms Sally-Ann Hart: I would say to Mr. Kinnock to have a bit more faith in this country because we have often led the standards in the EU on the environment, welfare and animal standards. I cannot see this country dropping its standards on anything moving forward. We, as a nation, take pride in the quality of our food and just look at the environment Bill that we are putting forward. That jigsaw puzzle is there and we already world leading in this. Look at the Paris Agreement. Look at our commitment to net zero carbon by 2050. People should have a bit more faith. It is important to make that point that if we all work together we can have a future relationship that is compatible, and makes the best of all of the countries in the EU and of the United Kingdom.

Chairman: I thank the witnesses for their overview, insights and answers. The next two contributors are Deputy Seán Haughey and Senator Lisa Chambers.

Deputy Seán Haughey: I thank the witnesses for joining us and it is good to see them all again. I thank the UK committee for the work that it has done on the Northern Ireland protocol, the common travel area and for its ongoing engagement with this committee. All of that work is very much appreciated.

On the message that we heard yesterday by the British Government on the withdrawal agreement, there is speculation in Irish media circles that the British Government moved on that because of the incoming Job Biden Presidency in the United States. As we know, the Minister for Foreign Affairs, Simon Coveney, went to Washington earlier this year as, indeed did the UK Foreign Secretary, Dominic Raab, to discuss this situation. President-elect Biden did say that there can be no trade agreement if the Good Friday Agreement is interfered with or a hard border is reintroduced on the island of Ireland. Obviously we await details but the matter is being talked about in media and political circles here. Do the witnesses think that influenced the decision by the British Government yesterday on the Northern Ireland protocol?

This morning, both committees have spoken here about the British-Irish relationship. Obviously it is very important to develop and enhance that as Britain leaves the European Union.

We have the British-Irish Parliamentary Assembly; the British-Irish Council that was set up under the Good Friday Agreement that involves the Governments and Executives on these islands; and the British-Irish Intergovernmental Conference that was set up under the Good Friday Agreement as well at Government level. Last week, the Taoiseach and the British Prime Minister agreed to begin work on a strategic review of the Irish-British relationship. This will set out structures and frameworks for building on east-west engagement and co-operation in the post-Brexit landscape. The need to develop structures for formal engagement between the Taoiseach and the Prime Minister at ministerial and official level to formalise co-operation across a suite of policy areas is also mentioned. That is a very welcome initiative by the Prime Minister and the Taoiseach, one we should all feed into, including this committee, the UK select committee or a sister committee in the House of Commons. The Oireachtas will need to engage in that as well. As I said, it is a worthwhile initiative to build on the existing structures and to develop new structures. As parliamentarians, we should all have an input into that.

My second question is the same question raised by Deputy Howlin. If there is no trade agreement this week, is it not obvious that many of these issues are back on the table on 1 January and that they will have to be dealt with? I presume the witnesses would agree that we are going to have to deal with the issues of fisheries, trade, aviation and so on at some stage. Brexit is not going away. Would it not be better to deal with these issues this week rather than have the negotiations ongoing for years?

Senator Lisa Chambers: I thank Mr. Benn and the committee for engaging with us this morning. Like Deputy Haughey, I would like to know if there was US influence to pull back on the withdrawal agreement. I agree with Deputy Richmond that it is good news and some progress but it only takes us back to where we thought we were a year ago with an agreement that was already in place. It is entirely separate to the future trade agreement, in respect of which there still appear to be significant gaps. I am concerned at the pessimistic view being expressed by Michel Barnier and others that there is still a long way to go on governance, a level playing field and fisheries.

I have a question on fisheries, which Dr. Whitford might have a view on. I refer to the surprise suggestion from the UK Government that a large part of the pelagic stock might be dealt with under the informal forum of the North East Atlantic Fisheries Commission. There is huge opposition to this from an EU perspective because of the history of that forum and the fact that very often the non-binding type gentleman's agreement in terms of quotas is very often exceeded and it is an annual conversation which does not allow anyone to plan ahead. I am interested in hearing the views of the witnesses on that proposal from the UK Government? Do they think it is workable and are they aware of the motivation of the UK Government for putting that on the table?

My second question is a little more specific so I am not sure which of the witnesses will be able to respond to it. It is about Dover Port from Ireland's perspective. The witnesses will know that we use the land bridge to get much of our exports in and out through Dublin Port to Dover and on to Calais. We have a plan in place at Dublin Port, where there has been a lot of infrastructure development. We have a traffic management plan in place and we are anticipating some delays and congestion even with a deal in place. We are struggling to get information around Dover. There is a reluctance to interfere because obviously it is preparation from the UK perspective. Can the witnesses provide any insight on what preparations are being made and how they think Dover might work? Our trucks will be in the same position as Scottish and British trucks when they get to Dover. What plan is in place at Dover Port come 1 January, deal

or no-deal?

Mr. Hilary Benn: I will pick up on a couple of the points and then ask Dr. Whitford to respond to some of the others. I do not know which of my colleagues would like to offer a view on the Dover question. If nobody volunteers, I will take that question as well.

On the view of the United States of America, what pressure or conversations have taken place privately we will discover when the history books of this extraordinary time come to be written. We are all aware of the public comments that President-elect Biden and Nancy Pelosi, the Speaker of the House of Representatives, have made about what might be the consequences of any undermining of the Good Friday Agreement. That has been made clear. I agree with Senator Chambers that we are back where we started, although in fairness the withdrawal agreement did not get into the specific details of how one deals with a lorry load of goods bound for a supermarket in Belfast. We hope to hear more about that this afternoon. I have some sympathy with the joint committee that it had to turn broad principles in regard to risk into something that can be made to work in practice. The evidence we have had in front of the select committee is that those trading east-west and west-east, with a month or two to go, had no idea what the arrangements will be. I hope we will hear more about that this afternoon.

On the strategic review mentioned by Deputy Haughey, it is a very sensible initiative. We must safeguard what was carefully put together in the Good Friday Agreement but as I said earlier my hope is that that relationship will be strengthened. If there can be a joint agreement on any changes or additions to the way in which we talk to each other and build our relationship then we should all welcome that. I agree with Deputy Haughey's point on negotiations continuing. I suspect that will happen whether there is an agreement or not because the general consensus in some respects is that any deal will be on the thin side, such that when people see it, they are likely to raise questions about this and that. If there is no deal, will that be the end? Are we going to say that is it, bye bye? I find that hard to believe. It would be very painful for all of us to go through no deal and, having realised that was not very sensible, to then have to come back around the table and try to find a way forward.

The other point I would make is that Brexit has happened legally. The UK has left the European Union and it leaves the Single Market and the customs union arrangements at the end of this month. Therefore, it seems to me the question for British politics, whether one is for Brexit or against it - Senators and Deputies can tell from the membership of this delegation this morning we are on different sides of the argument - is what should our future relationship be with our biggest, nearest and most important trading partners, friends and countries we co-operate with on security and defence? From my point of view, I would say we want the closest possible relationship that works in our mutual interest. That is what I am hoping for. Maybe, as Brexit politics, of which there has been a lot in this, gradually fades away because one side won in terms of the debate, however much I regret that, we can turn to the real question of how we are going to get on in future. Then, we can judge every item that is being negotiated on the basis of whether it is good for the country. I am certain that we will be continuing negotiations and a dialogue. Ms Hart has indicated in regard to the Dover question so I will pass over to her at this point.

Ms Sally-Ann Hart: I wanted to come back on the Biden point, not on Dover. It is important to reinforce that the contentious clauses in the internal market Bill were to protect the Northern Ireland protocol and the Good Friday Agreement. When we have the agreement in principle by the joint committee yesterday, in particular with regard to the protocol on Northern Ireland, that in itself is very hopeful. We have not seen the detail of it yet but because of that

agreement in principle, the Government has withdrawn those contentious clauses which were to protect the GB-Northern Ireland trade in the event of a no-deal. There is hope.

In regard to the future relationship, I agree with everybody that we need to have the closest possible relationship. People have talked about Brexit is a type of divorce. In a divorce when there is a clean break it is then possible to develop a future relationship, which is often easier than when there is no clean break and one party is paying maintenance or still has control. It is important to consider that. We want a clean break but want to develop a closer future relationship.

Mr. Stephen Kinnock: On Dover, it is worth adding that the select committee has received a lot of evidence in relation to its inquiry and report on preparedness for Brexit. It is safe to say we have had heard from a lot of representatives of the road haulage industry and other key stakeholders, who have expressed real concerns about, for example, the chief database, the processing, the factor that people will need permits to enter Kent and so on. As a committee, we have heard a lot of evidence and raised many questions about preparedness in Dover. That will be an issue of some concern going forward.

One matter that we have not touched on much so far is this issue of security. The fact that we will not have access to the Schengen information system, SIS, II database is something that will also have to be resolved. Even if it is not directly resolved in this phase of the negotiations, going into 2021 there could be a lot of discussion around security and the justice and home affairs side of the relationship with the European Union.

Mr. Hilary Benn: I thank Mr. Kinnock. Mr. Mills wanted to come in.

Mr. Nigel Mills: Here are my couple of points. Obviously, there has been a lot of preparation done, mainly to try make sure that hauliers have got the paperwork and that is checked and confirmed before they try to use it anywhere near Dover. This is to try and avoid a truck starting to be allowed into France blocking the port for all those who have got the right paperwork. In the UK, it is likely that we will phase in all our new controls over a six-month period. We will not be holding over the EU and will be prepared to allow some faith in transition at the start of the new year. Perhaps that would be a positive step for the EU if negotiations succeed or fail, if the EU could make a similar gesture to try and avoid it being a real mess in Calais or, even, in Northern Ireland. There will need to be some phasing in of these rules in the early part.

I have no idea whether President-elect Biden has had any influence on this. My main suspicion would be that we knew we definitely had to come up with a workable solution for most of these issues in the protocol. That got tied up in the politics of the negotiation and therefore took a lot longer and perhaps some, not quite threats but, pointing out that if we did not agree to this then we would not be allowed to do that between the mainland and Northern Ireland probably prompted an overreaction from the UK Government. I hope we have managed to get past that. It is perfectly reasonable for the loyalist community in Northern Ireland to have real concerns about economic barriers turning up between Northern Ireland and the mainland. It is almost unprecedented around the world to have two parts of a country in different customs areas and thus creating new obligations. It is not just a one-way issue - the Good Friday Agreement and the consent principle. That is a two-way issue for both communities. It is important for both sides of this to work together and find flexible working arrangements that make the rather unusual strained economic position in which we are putting Northern Ireland work on the ground. That will take the compliance authorities to take a risk-based approach to this and look for where the real risks and the real problems of goods getting across without paying the right tariffs or

without meeting the right rules are, and not try and focus those on every small transaction that happens which would be unsustainable. What we need to do is move into that phase of having compliance work of this on the ground and not the arguing over the high principles so much on which we will never find a perfect solution.

Mr. Hilary Benn: Dr. Whitford wanted to come in briefly. I know the Chairman has other colleagues who want to ask questions.

Dr. Philippa Whitford: I want to say a little bit on this but also on the fishing question that was raised. It is absolutely critical that we put more effort into the British-Irish relationship and, indeed, find new structures for a UK-EU relationship because the informal meeting within the UK at EU summits, etc., will not be there. What people are less aware about the Good Friday Agreement is how much of it came about because of the friendship that developed between John Major and Albert Reynolds as a result of their meeting in neutral ground in the EU. That has not been given very much credit. There will still be many aspects of the position Northern Ireland has been put in that will need to be hammered out. It is, as Mr. Mills and others have said, an unusual position.

We will come across things we have not thought about. One of the concerns is whether European citizens living long term in Ireland and working for Irish companies will be able to travel into the North or, indeed, across to Scotland to mend a computer or install an IT system. Some of these things are still not clear.

Personally, I had a concern that these clauses in the UK Internal Market Bill were about creating leverage because they have now been removed. The problem is that it has undermined the UK's reputation and it has made the issue of governance bigger.

Coming to the issue of fishing and having annual quotas and a gentlemen's agreement, the problem with annual quotas is, even for the industry, for it to invest in new vessels, improved vessels or new equipment, there is a requirement for the industry to know, over a longer period, what kind of quota it has access to. In addition, there is not a great advantage for the UK industry in having annual quotas. Unfortunately, the UK Internal Market Bill - and where we are at present - undermines any sense of "Let us just have a gentlemen's agreement". Things will need to be defined. They will need to be pinned down so that both sides can count on it.

Mr. Hilary Benn: I thank the Chairman.

Chairman: I thank the witnesses. With the agreement of the committee, I propose that we extend the public session to include a final question from Deputy Ó Murchú. If it is acceptable, we will then go straight into private session.

Mr. Hilary Benn: That is absolutely fine. We are entirely in the Chairman's hands. I thank him.

Deputy Ruairí Ó Murchú: Go raibh maith aghaibh. I apologies for being late. I was dealing with an interview on this issue during which I stated that I would come in here and sort the entire Brexit issue out altogether. Maybe we would be better doing that in private session. Apologies in advance if I repeat what has already been said.

We all welcome what happened yesterday but we need to see implementation at this point of the Irish protocol. As much as everybody is talking about the possibility of a deal being 50-50, I suppose there is a hope that we are working on the basis that Boris Johnson and Britain need

this deal. Given that 45% of Britain's exports go to the European Union, the impact that will have on their economy has to be enormous in a worst-case scenario.

There is belief among many people here that the amendments included in the UK Internal Market Bill and what was being proposed in the context of taxation in the UK Finance Bill were introduced as a negotiating gambit and almost something that was put on the table so that they could take it off. Whether that relates to President-elect Biden or not, we did not see it here as a protection of the Good Friday Agreement or anything relating to the island of Ireland. This has given rise to a credibility issue on Britain's part for the future. I could claim that I am not shocked by Britain moving goalposts in the context of the negotiations, but it does create difficulties. It even creates difficulties for Britain right now.

I was not going to say this but I will. It can be quite difficult at times to listen to British politicians talking about national sovereignty and anomalies in relation to the North, particularly as regards Brexit. Being absolutely straight, I would say that the fact that we have partition on the island of Ireland is due to previous British Governments deciding what suited them from a point of view of their own interests and not ours. Anyway, I have said it now.

It would be absolutely ridiculous from a British point of view for there not to be a trade agreement. Even if there is a thin trade agreement, one is talking about going back to negotiations. The difficulty will be that that leaves future room for crisis, uncertainty and difficulty.

I would like to put a question to Dr. Whitford in respect of Scotland. I imagine that a worst-case scenario would change the dynamic in Scottish politics.

On fisheries, there is a view out there regarding what Britain is seeking. Obviously, Boris Johnson needs two outcomes. He needs a deal, but he also needs to be able to sell a deal to the Brexiteers that there was a point to Brexit. I am not quite sure how he will be able to handle that. I am worried about fisheries. There is a view that Britain is making a grab for fishing rights in circumstances where its industry lacks the capacity necessary to fish the relevant waters. I am not sure where matters stand in that regard. I add my voice to all those who have asked what are the preparations for any type of Brexit in Britain. It is a huge difficulty for us, including the land bridge. The National Audit Office has said that preparations are nowhere near what is necessary to be fully operational on 1 January.

Mr. Hilary Benn: I will ask Dr. Whitford to respond on fisheries.

Dr. Philippa Whitford: Okay. I thought it was more about Scotland.

Mr. Hilary Benn: Sorry, yes.

Dr. Philippa Whitford: Many think that a no deal is something we would want because it would drive support for independence, but it would damage Scotland as much as any other part of the UK. I do not think any politician in Scotland wants to see havoc. Unfortunately, even the deal we might get will be so thin that there will still be a 6.1% reduction in where our GDP would have been had we stayed in the EU; it is about 8.5% if it is a no deal. Even with the free trade agreement that may be on the table, the impact on us is significant.

Scotland has seen a consistent move of support towards independence since the UK actually left the EU at the end of January. There is no question that Brexit, which is completely against the wishes of the majority of Scottish voters, is the foundation of what is changing people's minds. Last year, the polls did not change because there was still hope that Brexit would not

actually happen, that some other route would be found or even that, as the Scottish Government put forward as a compromise in 2016 in the Scotland's Place in Europe report, we would stay in the Single Market and customs union while inside the UK, that is either the whole UK, or Scotland and Northern Ireland, which could have helped solve that problem. Since the UK actually left the EU at the end of January, support for independence has grown, and that will only continue to strengthen.

A no deal is damaging to everybody. It was a matter of Brexit on its own but also the way Scotland has been treated by the Government by not having respect paid to it and not being included in the negotiations, despite the then Prime Minister Theresa May originally saying she would consult across the UK and find a deal that all parts of the UK would support. She did not do that. The UK Internal Market Bill is no way to improve a relationship and I think Scotland is heading in one direction only. On Boris Johnson's refusal to consider a referendum for Scotland, I suggest to those who supported Brexit, the idea that the EU might have said that the UK could not even hold a referendum on its EU membership would not have gone down very well. The current refusal goes down precisely the same in Scotland.

Mr. Hilary Benn: That could set off quite a debate which the committee may or may not want to hear. I will return to Deputy Ó Murchú's first question on the clauses in the Internal Market Bill. To be frank, there are some people at this meeting who would agree that we thought it was a negotiating tactic and others who would say it was a necessary backstop because the terms of the withdrawal agreement and the Northern Ireland protocol were not specific enough about how to interpret goods at risk and what checks and so on would be required. What is not in dispute, whatever side of that question one finds oneself, is that it did affect trust between the negotiating partners. If a year ago, the EU had negotiated a deal with the UK and then the UK Government said it was proposing unilaterally to vary part of the agreement it had negotiated, read, signed up to, and given effect to in our Parliament, it does raise concerns in the minds of the EU side, because if something which it thought was agreed and was an international binding treaty turns out not to be an international binding treaty and can be varied by one side, then there is a bit of a problem when it comes to negotiating a new agreement. That is why the withdrawal of the clauses is so important. The Government is now saying it will not break international law and it does restore some sense of confidence in what was negotiated, but it has left a lingering effect which has impacted on the negotiations.

Mr. Stephen Kinnock: I think this is our last round of questions and it would be good to finish on the word "trust". The last few years has had an isolating effect on the UK. Bridges have been burned, and trust has been undermined and eroded. Whatever happens with these negotiations, and we really hope for a good deal - we need it economically, diplomatically, politically and for security - we have to find a way as a country to rebuild bridges and to have a close, co-operative and constructive relationship with the EU, and it is absolutely clear that Ireland plays a central role in that. If we are going to rebuild trust and strengthen relationships in the new post-Brexit world, the UK-Ireland relationship is central, as is the relationship between our two parliaments. We will have to find new ways of co-operating and ensuring that we are continuing to add our constructive contribution to this new world that we will live in.

I thank the committee for the opportunity and wish all our colleagues in Dublin well. It is good to see Deputy Howlin again. The last time we shared a platform was in a Beatles museum in Dublin. This is somewhat different but it is equally enjoyable to see him again.

Mr. Hilary Benn: I am sure that all five of us, despite having different views on different subjects, would agree with those sentiments about the importance of strengthening further the

relationship we have. As this is the end of the formal session, we look forward as individual parliamentarians to seeing the committee in the future, although I should, in fairness, point out that the select committee of which we are members ceases to exist on 16 January 2021, because it was re-established with a different name after the general election and was given a shelf life of a year. I am sure that Parliament will discuss what future scrutiny arrangements will be, but in one form or another, all of us look forward to seeing all the members on occasions in the months and years ahead as we take that relationship forward.

Chairman: I thank all our guests for their insight and analysis. It is good to have a fisheries expert, in Dr. Whitford, as part of the team. It was always going to be a complex issue and it will be difficult in the hours to come. We are very grateful. If there is anything we can do on this side to advocate for the evolution of our colleagues' committee into a different form, with their continued involvement, we will do our bit. We have found some common ground, including on the Beatles. We know how serious this matter is and that it is about the bread-and-butter conversations that are happening in coffee shops, whether in Newcastle, County Down, Letterkenny, Cork or Kerry. We live on an island here. We need the flow of goods. There are fears around the timelines for distribution of goods, which is something that people are very conscious of, but with a willingness and desire to come to an understanding, the next day or two are really important. Our guests' committee has been advocating strongly for a future relationship. We have the cornerstone - Mr. Kinnock advocated for the British-Irish Parliamentary Assembly, which has institutional ties. It seems to have been around for a long time. It evolved from the British-Irish Inter-Parliamentary Body but has only existed since 1990. There have been a number of significant interventions on an east-west basis, including Queen Elizabeth's visit in 2011 and President Higgins's first state visit in 2014. Major foundations have been laid down in the relationship. No matter what happens, the main thing we must do is keep that relationship strong. Our committee would like to continue working on a parliament-to-parliament basis, albeit not necessarily on just a Dublin-London basis. We can do it on a regional basis as well and keep looking at new ways of working together.

Gabhaim buíochas leis na finnétithe as ucht a theacht go dtí Teach Laighin inniu. I thank the witnesses for coming to Leinster House, albeit in virtual form. We will see one another again in 2021.

Before we conclude, I propose that we go into private session to continue our engagement.

The joint committee went into private session at 10.21 a.m. and adjourned at 10.56 a.m. until 9 a.m. on Wednesday, 16 December 2020.