



The Centre for  
Cross Border Studies

# MEDIA WATCH

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**11 August 2017 – 18 August 2017**

**14 August 2017**

**Brexit: why you pay your money and you take your choice;  
What are the options for cross-border trade we can expect after the  
UK's exit from the European Union, asks Katy Hayward**

The European Council has given an unusual playing card to the UK government by stating an openness to 'flexible and imaginative solutions' for managing the Irish border after Brexit.

The fact is, however, that these 'flexible and imaginative solutions' have to come from the UK government in the first instance.

Instead, so far, there has been only an effort to reassure people that a 'hard border' would be avoided by the use of technological solutions. This reflects the crude assumption that by 'hard border' one simply means 'visible border'.

However, the real impact of a 'hard border' hits far away from the actual crossing - it is felt in the obstacles to trade, to supply chains, to employment catchment areas, to business cooperation and expansion, and in the additional costs and delays entailed in crossing the border. At the moment, the Irish border is 'seamless and frictionless' (to use Theresa May's phrase) because Single Market and Customs Union membership (in the EU) together covers domestic goods and imported goods.

Exit from either of those necessitates border controls of some sort; technological solutions will not substitute for these controls nor entirely avert the need for checks.

To posit 'technological solutions' at this stage is like trying to decide on the light fittings before you have even got planning permission for the house.

When the Irish government expressed its frustration at the lack of progress on this matter, it did so because it is still unclear as to whether the UK government wishes to build a neo-colonial mansion or a modest semi on the plot of land 'wrested' from the EU.

This needs to be made clear as soon as possible in order to make progress on two tracks. For there are two agreements that have to be negotiated in Brussels: the exit deal and the future trade arrangement. David Davis is quite right to note that we can't be completely clear about the post-Brexit Irish border until we know the nature of the future trade arrangement.

However, it would be sufficient at this stage for Davis and his team to set out what future trade arrangement they are aiming for, so that the exit negotiations can work towards this.

This would ensure, for example, that certain aspects of standardisation and regulatory coordination across the Irish border could be preserved by the exit deal in order to be able to facilitate the trading relationship intended to follow it.

And what are the options for the future UK/EU trade relationship? There are three ballpark scenarios.

First, to remain in the Single Market. This would be the most straightforward as it would mean continuing membership of the European Economic Area (EEA), albeit via an application to join the European Free Trade Association (EFTA) and subject to the approval of the EEA members.

The UK would have to accept the existing EFTA trade deals, it would still make budgetary contributions and be subject to the jurisdiction of the European Court of Justice, but it would have some scope to pursue an independent trade policy.

For the Irish border, UK EEA membership would mean that freedom of movement (of people, goods, services and capital) would continue unabated and that there would continue to be a matching of standards and regulations on both sides. Customs checks, however, would be required for goods coming from outside the EU and for those goods not covered by EEA membership, which unfortunately would include agricultural produce.

The second option would be a bespoke customs union with the EU. This would require more negotiation/transition time as it is not an 'off the shelf' solution.

The UK would have tariff-free trade with the EU (although, again, not in agricultural produce, unless that was specially arranged) but it would have little freedom in the deals it makes outside the EU, it would have to apply the Common External Tariff, and it would need to continue to comply with EU regulations and harmonisation in some areas.

For the Irish border, the UK being in a customs union with the EU would mean tariff-free trade, but it would not secure freedom of movement of people or services.

Customs documentation and checks would be required on the Irish border for (among many other things) compliance with standards, Rules of Origin, and for agricultural produce (which could be subject to tariffs and quotas).

Finally, there is the option of a deep and comprehensive free trade arrangement, such as with Canada.

There is no hope that this can be finalised on top of the exit deal within the coming year so any transitional arrangement would be vital. This would offer an escape from the jurisdiction of the ECJ, the freedom to negotiate other deals, and an end to budgetary contributions to the EU.

However, this would mean a 'hard' customs Irish border in that divergence between Northern Ireland and the Republic of Ireland would increase and Northern Ireland would presumably be open to goods that are restricted in the EU Single Market (eg the infamous chlorinated chicken).

Of course, there is another option: a 'no deal' Brexit, in which the UK leaves with no trade agreement in place and falls back on WTO terms.

This would automatically mean the hardest form of economic border between the UK and Ireland as tariffs would have to be applied both ways and there would be no regulatory equivalence between them.

Even if this were the will of the UK government and unionist parties, to hurtle towards this outcome with no preparation and no information is to leave businesses, services and citizens brutally and unnecessarily exposed.

Flexibility and imagination cannot be gifted by the EU - it must be demonstrated by the UK as an act of sovereignty and self-preservation.

**Source: The Belfast Telegraph**

**16 August 2017**

## **Brexit - Britain will consider matching EU funding projects for north**

Theresa May has said Britain will consider matching the hundreds-of-millions of pounds of EU structural funds previously committed to the north under Peace and other Brussels-backed programmes.

The British prime minister said after Brexit her government wanted to continue to fund "specific and valuable EU programmes" targeting Northern Ireland.

Over the past 22 years, the European Regional Development Fund (ERDF) has provided more than €1.5 billion (£1.36m) in funding for projects in Northern Ireland and the Republic's border counties.

Writing in today's The Irish News, Mrs May said she wants EU funding for Troubles' victims and cross-community groups to continue "at least until the current programme finishes" in 2020.

"We then want to go further and explore a potential future programme of peace funding after we leave the EU," she said.

Mrs May said the details would be agreed "between the EU, along with the UK and Irish governments".

"...but I have always said that as part of the deep and special partnership I want to negotiate between the UK and the EU, there may be specific and valuable EU programmes for which we want to agree the continuation of funding - peace funding in Northern Ireland is one of them," she said.

She has also pledged to preserve the "unique arrangements" that enable people to move freely between the north and the Republic and between Ireland and Britain.

"No-one voted to end the special ties between the UK and Ireland or to undermine the unique arrangements between Ireland and Northern Ireland which have underpinned the peace process and have been in place well before our membership of the EU," she said.

Mrs May said today's British government's proposals on how the post-Brexit border will operate would meet the concerns of people worried about their ability to move freely across Ireland.

She has also sought to give assurances that protecting northern nationalists' citizenship rights and protecting the Belfast Agreement, are "at the heart" of her government's approach.

While Mrs May insists the north "remains an integral part of the United Kingdom" she also acknowledges that it is the "permanent birthright" of people in the region to hold both British and Irish citizenship.

"This will remain the case and people of Northern Ireland who are Irish citizens will remain EU citizens," she said.

"The UK wants this guarantee confirmed alongside the other aspects of the Belfast Agreement as part of our withdrawal agreement with the EU."

Mrs May said the UK proposals are clear - "we want to maintain the reciprocal arrangements for the Common Travel Area and all the rights for our citizens that have existed in some form since 1922".

"We believe it is inconceivable that it could change and we believe that can be agreed early in the talks," she said.

The Tory leader said ensuring the border is "as seamless as possible" does not only relate to people.

"We need to ensure there is no hard border enforced on the movement of goods," she said.

"While the UK will no longer be a member of the EU customs union, we have set out plans in this week's paper on customs to seek a deal that allows for the most seamless possible movement of goods between the UK and EU."

Mrs May said the free movement of goods was especially important for agriculture. She has reiterated her government's desire for "no physical border infrastructure of any kind" between north and south but also said a customs border between Northern Ireland and Britain would be "totally unacceptable".

"I am determined to deliver a good Brexit deal for the whole UK and my first priority is protecting the unique and special relationship between the UK and Ireland," Mrs May said.

"No-one would pretend our history has always been smooth, but as the UK begins a new chapter, it will not mean turning our back on the historic progress that has been made within Northern Ireland and across these islands."

**Source: The Irish News**

**17 August 2017**

## UK's 'blueprint' for border after Brexit splits opinion down familiar party lines

The Government's post-Brexit border proposals have been warmly welcomed by unionists - but dismissed by nationalists and other critics as unrealistic and lacking detail.

In a position paper published yesterday, London rejected the idea of any physical infrastructure such as customs posts and stressed that an "unprecedented solution" for the Irish border must be found.

Contrary to expectations, the Government didn't recommend number plate recognition technology or CCTV cameras at what will be the UK's only land frontier with the EU.

Instead it set out proposals for a free-flowing and unmonitored Irish border with the majority of local businesses avoiding customs tariffs.

DUP leader Arlene Foster described the paper as a "constructive step". She welcomed "the commitment to a seamless border and movement of goods" between the two jurisdictions.

She said: "It is clear the Government has listened to voices in Belfast, Dublin, Brussels and London about how the UK's only EU land border could be managed after we exit the EU.

"It is welcome news that the Government will not countenance any new border in the Irish Sea.

"The DUP will not be deflected by those who want to refight old battles - we will focus on getting the best deal for Northern Ireland."

However, Sinn Fein claimed the Brexit proposals weren't "compatible with the Good Friday Agreement, the economic interests of Ireland north and south or the democratically expressed wishes of the people".

The party's Stormont leader Michelle O'Neill described the document as "big on rhetoric but thin on actual commitments" with the customs union proposals "dismissed within hours as deluded, untested and unrealistic".

"The Tory proposals fail to manage or minimise the impact of Brexit on the north. They are prepared to set aside their obligations under the Good Friday Agreement and to use our agreements, economy and rights as a bargaining chip with the EU," she said.

SDLP leader Colum Eastwood described London's document as "confused and conflicting".

He added: "There is an easier answer to the Irish border question - the British Government could give up its hard Brexit position and negotiate to remain a member of the European customs union."

Alliance deputy leader Stephen Farry claimed the Government was "in denial" over the border.

"Everyone may wish to avoid a hard border, but any difference in the customs and tariff regimes between the UK and the EU would require both a heavy administrative burden and some form of physical checks. Even light touch borders such as between Norway and Sweden have a physical frontier," he said.

But UUP MEP Jim Nicholson welcomed the proposals and said it was now up to the EU27, including the Republic, to respond constructively.

"The tone of the Republic of Ireland Government's language has become less co-operative in recent months," he said.

"This is not the time for chest-beating and grandstanding. If they are serious about minimising disruption when the UK exits the European Union, then they have a responsibility to help identify workable solutions."

Dublin fears that some of the UK's proposals for cross-border trade are "totally unworkable".

Foreign Affairs Minister Simon Coveney welcomed the UK paper but warned that it left "significant questions" unanswered.

He also raised concerns that some of the proposals might lead to an increase in smuggling.

But Northern Ireland Secretary James Brokenshire insisted that the paper showed London's desire to "find a practical solution that recognises the unique economic, social and cultural context of the land border with Ireland, without creating any new obstacles to trade within the UK".

The document outlines a customs arrangement that would see 80% of businesses on the island of Ireland entirely exempt from any new tariffs post-Brexit.

The Government wants to maintain the Common Travel Area which guarantees free movement of people between the UK and the Republic and allows citizens from both jurisdictions to claim benefits and access all public services.

Yesterday, Theresa May moved to assure nationalists here that their rights would be protected in a post-Brexit UK in a platform piece for the Irish News.

"Protecting your citizenship rights, and protecting the Belfast Agreement, are at the heart of our approach," the Prime Minister wrote.

"On the citizenship rights guaranteed by the Belfast Agreement, our position is clear.

"Northern Ireland remains an integral part of the United Kingdom, but it is also the permanent birthright of the people of Northern Ireland to hold both British and Irish citizenship."

Streamlining the border: key elements of the UK government's paper

## GOOD FRIDAY AGREEMENT

The UK and EU should formally recognise that the citizenship rights set out in the Good Friday Agreement will continue to be upheld.

Continue European Peace funding until current programme expires in 2020. Then NI and ROI explore possible future programme.

## AVOIDING A HARD GOODS BORDER

Agree highly streamlined arrangements to mitigate customs procedures for cross-border businesses.

Secure agreement to avoid the need for border checks on agri-food products between north and south.

Preferably, agree a new customs partnership with the EU that would avoid the need for any border.

## COMMON TRAVEL AREA (CTA)

UK and EU should agree to recognise ongoing status of CTA.

CTA can operate in current form without impacting UK's new immigration system.

Ireland can maintain free movement of European Economic Area nationals.

Ireland's immigration and border arrangements will be unaffected by CTA.

UK to set out further details of its immigration plans in the autumn.

## ENERGY CO-OPERATION

Facilitate the continuation of a single electricity market covering Northern Ireland and the Republic.

Facilitate the continuation of efficient electricity and gas interconnection between the island of Ireland and Britain.

**Source: The Belfast Telegraph**

**17 August 2017**

## Any deal is still a long way off

For Northern Ireland and the Republic, the imposition of any form of border controls or checkpoints would be disastrous, impacting on the free movement of people and goods with the probability of far-reaching political and security repercussions.

Throughout the post-Brexit discussions, the British government has made it clear it does not want to see a return to the hard border of the past, an aspiration that until now has come with little detail.

Yesterday the government unveiled its plans for the border and the fact that it contained no proposals for controls or physical monitoring must be regarded in cautiously positive terms.

Indeed, after all the talk about using technology and CCTV cameras to keep track of vehicles and goods, the British position paper has opted for an approach that is effectively no change to the current arrangements.

What is proposed is a customs scheme which would mean that 80 per cent of businesses on the island - the small to medium enterprises that make up the bulk of cross-border trade - are exempt from new tariffs after the UK leaves the EU.

Slightly different arrangements would be in place for larger companies engaged in international trade.

Certainly, any plan that ensures an invisible border with no impediment to cross-border trade and travel is a step in the right direction.

The question is whether this is the outcome we get after the negotiations with the remaining 27 EU member states are completed.

There is also likely to be pressure on Theresa May from those in Britain advocating a hard Brexit with Nigel Farage expressing concerns over the lack of immigration checks at the UK's only land border with the EU.

At this stage it is important to stress that the British government's plan is a negotiating position and we are a long way from agreement on the final post-Brexit arrangements.

Ultimately, it will come down to what is in the best interests of the people of this island and that is what political leaders must work towards.

**Source: The Irish News**