



The Centre for
Cross Border Studies

MEDIA WATCH

12/08/2016 - 19/08/2016

August 12, 2016

First Minister insists DUP is still behind Brexit despite letter to PM;
As plane maker admits transferring some of its operations from Northern Ireland to save money, Foster and McGuinness make a special case plea to Downing Street

The DUP has hit back at claims the party has performed a U-turn over its stance on Brexit after Arlene Foster and Martin McGuinness sent a joint letter to the Prime Minister warning that there could be serious consequences for Northern Ireland by leaving the EU.

Political rivals levelled the accusation against the pro-Brexit DUP leader after the publication of the letter to the Prime Minister, in which she and Mr McGuinness, a Remain advocate, highlighted a series of risks to Northern Ireland.

The content and tone of the letter have been characterised by DUP opponents as pro-Remain.

However, Mrs Foster denied the suggestion she has had a change in heart.

More:

The Ulster Unionist's economy spokesperson Steve Aiken questioned whether the letter represented a DUP 'U-turn' since the June referendum.

But Mrs Foster hit back, describing the UUP's position on Brexit as "comical".

She added: "Poor Steven Aiken has been sent out once again to be the attack dog against the executive and frankly, he comes across more as a Chihuahua."

"Brexit means Brexit and our Prime Minister is very clear about that and I support her in that," she said. "That doesn't mean to say we close our eyes to some of the immediate challenges that are there.

"We have set out those challenges and now we move forward in a positive way."

In the letter, the First and Deputy First Ministers stressed that Brexit could not be allowed to compromise cross-border efforts to tackle organised crime and those opposed to the peace process.

The ministers also said it was critical to the economy that businesses retained their competitiveness and did not incur additional costs. It highlighted the need to retain access to sources of skilled and unskilled labour in the EU.

Mr McGuinness also dismissed the criticism of Mrs Foster as "political point scoring" and added that both parties will adopt a "joined-up" approach to deal with the Brexit implications.

"It's very important, given we were on different sides of the debate in the run in to the referendum to, in the aftermath of the vote, to do the best we can to protect the interests of the people we represent," he said.

Source: The Belfast Telegraph

August 13, 2016

EU structural and investment projects in Northern Ireland 'guaranteed after Brexit' but concerns over £300m of funding

EU structural and investment projects in Northern Ireland signed before the Chancellor's Autumn Statement will be guaranteed after Brexit, the Treasury said.

The current level of agricultural backing, which underpins the farming industry, will also be matched by the Government until 2020.

Europe's Peace programme for entrenching the peace process through community development is due to run until 2020. The future of a programme designed to pump 17 million euro into groups which help victims of the conflict had been in doubt, it has been claimed.

Chancellor Philip Hammond said: "We recognise that many organisations across the UK which are in receipt of EU funding, or expect to start receiving funding, want reassurance about the flow of funding they will receive.

"That's why I am confirming that structural and investment funds projects signed before the Autumn Statement and Horizon research funding granted before we leave the EU will be guaranteed by the Treasury after we leave.

"The Government will also match the current level of agricultural funding until 2020, providing certainty to our agricultural community, who play a vital role in our country." But Finance Minister Mairtin O Muilleoir has said that short term assurances provided by the Chancellor around EU funding do not go far enough.

"Prior to the referendum, the European Union had agreed to contribute over (EURO)1.2 billion to Structural and Investment Fund programmes in the north scheduled to run between 2014 and 2020. This includes contributions to the **cross border** PEACE IV and INTERREG VA Programmes. The decision today not to underwrite that sum in relation to EU funds from now to 2020 is a setback to the economy and a failure by the British government to match European support for the peace process.

"Despite the promise of the British Prime Minister to act in the interests of all, there has been no attempt to consult with myself, the Executive or the Irish Government, about the best way forward in relation to European funds.

"While the decision to honour letters of offer issued up to November will help some applicants for EU funds, it will leave a question mark over scores of other vital projects and means potentially up to £300m of future funding is in peril.

"I have discussed this issue with the Chancellor and with my counterparts in Scotland and Wales, calling on the British Government to give a commitment that devolved administrations would not lose a penny of EU related funding streams. I have also written to the European Commissioner for Regional Policy with Ireland's Minister for Public Expenditure and Reform, and reiterated the joint support of the Executive and the Irish Government for our **cross border** PEACE and INTERREG programmes.

"Rather than providing the certainty needed following the EU referendum this short-sighted decision could deepen the economic blow. It is clear the Executive needs to be front and centre in decisions around Europe and in all negotiations on these crucially important issues."

Assurances expected from the Treasury include:

- :: All structural and investment fund projects, including agri-environment schemes, signed before the Chancellor's Autumn Statement on the budget will be fully funded, even when these projects continue beyond the UK's departure from the EU.
- :: The Treasury will also put in place arrangements for assessing whether to guarantee funding for specific structural and investment fund projects that might be signed after the Autumn Statement, but while the UK remains a member of the EU.
- :: Where UK organisations have bid directly to the European Commission on a competitive basis for EU funding projects while the UK is still a member of the EU, for example universities participating in Horizon 2020, the Treasury will underwrite the payments of such awards, even when specific projects continue beyond the UK's departure from the EU.

While the UK voted to leave the European Union by 52% to 48%, 56% in Northern Ireland voted to remain.

Stormont's first and deputy first ministers Arlene Foster and Martin McGuinness recently registered their concerns with the Prime Minister over the future of projects relying on EU money. Northern Ireland receives approximately 10% of the UK's cash from the Common Agricultural Policy (CAP).

EU funding has helped build the Peace Bridge over Londonderry's River Foyle and boosted transport links between Belfast and Dublin.

It has supported scores of community groups working in some of the most deprived parts of Northern Ireland as part of the rebuilding of a more normal society after the Troubles.

Brexit campaigners had claimed Northern Ireland got back £67 million less than it contributed to Europe last year.

The Chancellor added: "We are determined to ensure that people have stability and certainty in the period leading up to our departure from the EU and that we use the opportunities that departure presents to determine our own priorities."

Source: The Belfast Telegraph

August 15, 2016

O Muilleoir: Westminster funds don't go far enough

Stormont's finance minister has said a British government pledge to honour funding for EU projects does not go far enough.

New chancellor Philip Hammond has said the Treasury in London will stand over any EU structural and investment money awarded before his autumn budget statement, which is expected in November.

However, Mairtin O Muilleoir claimed hundreds of millions of pounds of funding for the north is still in doubt.

The Sinn Fein minister also re-iterated a claim that Stormont had been not been consulted about the future of European money.

"Prior to the referendum, the European Union had agreed to contribute over £1.2 billion ... scheduled to run between 2014 and 2020. This includes contributions to the **cross-border** Peace IV and Interrg VA Programmes," he said.

"The decision not to underwrite that sum in relation to EU funds from now to 2020 is a setback to the economy and a failure by the British government to match European support for the peace process."

"Despite the promise of the British prime minister to act in the interests of all, there has been no attempt to consult with myself, the Executive or the Irish government, about the best way forward in relation to European funds."

A joint letter, signed by Mr O Muilleoir and the Dublin government, has been sent to the European Commissioner for Regional Policy outlining support for the **cross-border** EU programmes.

The South Belfast MLA said: "While the decision to honour letters of offer issued up to November will help some applicants for EU funds, it will leave a question mark over scores of other vital projects and means potentially up to £300m of future funding is in peril.

"Rather than providing the certainty needed following the EU referendum this short-sighted decision could deepen the economic blow."

He said he had spoken to Mr Hammond to ask that Northern Ireland "would not lose a penny of EU related funding streams".

There have also been pledges from Whitehall to match current farm subsidy levels up to 2020, although the Sinn Fein minister has warned that the support is expected to "fall off a cliff" after the UK severs ties with Brussels.

The first and deputy first ministers also wrote to Prime Minister Theresa May last week to outline their concerns over the potential consequences of Brexit.

Source: The Irish News

Britain's exit from EU could take a decade

Philip O Sullivan, chief economist at Investec Ireland, said working out all the details of the UK's new relationship with the EU as it plots to quit the bloc will take years.

Speaking in a personal capacity, Mr O Sullivan told the Irish Examiner that tiny Greenland took several years to strike divorce terms with Brussels in the 1980s, and negotiating the UK's departure would take much longer.

That view was supported by an associate research professor at the Economic and Social Research Institute Edgar Morgenroth.

A leading adviser to the Government on the implications of Brexit on Ireland north and south, Prof Morgenroth said that the easy bit would be the triggering by the UK of Article 50 that marks the start of the divorce proceedings.

Reaching a lasting agreement, however, to cover all issues of trade and people could take many years, he said.

Prof Morgenroth said that one thorny issue is the potentially huge bill Britain owes various EU programmes.

An interim trade arrangement which could last years may be struck before a final agreement is reached, he said.

Source: Irish Examiner