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**An Comhchoiste um Fhorfheidhmiú Chomhaontú Aoine an Chéasta**

**Pobail agus Comhar Trasteorann: Dúshláin agus Deiseanna**

**Lúnasa 2019**

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**Joint Committee on the Implementation of the Good Friday Agreement**

**Communities and Cross-Border Cooperation: Challenges and Opportunities**

**August 2019**

**32/JCIGFA/11**

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## Chair's Foreword



**Seán Crowe TD  
Committee Chair  
(SF)**

The signing of the Good Friday Agreement was the foundation for peace and an end to conflict on this island. Although cross-border cooperation has been long established, the signing of this international peace treaty opened up greater opportunities for cooperation, and the development of strong cross-community advocacy on behalf of various regions along the border.

On 23 June 2016, the people of Britain voted in favour of leaving the European Union with 51.9% voting to leave and 48.1% voting to remain. In Northern Ireland, 55.8% voted to remain and 44.2% of the electorate voted to leave. The results have brought sharp focus to the implications of Brexit for the Good Friday Agreement and border communities.

It is recognised that the EU, from the outset, has played an important role in supporting and nurturing the peace process. Common membership of the EU is referenced throughout the Good Friday Agreement. EU financial support has been indispensable and transformative, particularly in the area of peace building and reconciliation. Uncertainty of what Brexit will be, and its potential impact, makes any assessment of challenges very difficult. Recent events in Westminster parliament gives rise to further concerns pertaining to the implications of Brexit for Northern Ireland.

The Joint Committee on the Implementation of the Good Friday Agreement (the Committee) agreed that consideration of Brexit and its potential impact on border communities necessitated further examination and invited three cross-border local authority organisations to meet with the Committee and discuss the challenges they now face.

A number of key findings and recommendations arose from the meetings conducted, and the written contributions made to the Committee.

The Committee acknowledges that it was not possible, due to time constraints, to include all stakeholders and all themes. The Committee remains strongly committed to dealing with legacy issues and matters impacting on victims and survivors and has continued hearings on these matters throughout the last three years since the Brexit vote. While legacy matters were not the primary focus of these hearings, the Committee acknowledges that the relationships built by the cross-border bodies and the work they do in developing their various regions demonstrates a compelling model of the positives that can be achieved by working together to identify solutions that will benefit all citizens. The Committee hopes that these positives will help to create the space and ability for legacy matters to be dealt with.

I wish to thank all stakeholders who came before our Committee and made contributions on this issue. I wish to commend them on their work and commitment and assure them of the continuing support of the Committee.

A handwritten signature in black ink that reads "Sean Crowe". The signature is written in a cursive style with a horizontal line above the first few letters.

## Executive Summary

The implications of Brexit for the Good Friday Agreement have been explicitly recognised as one of the most important matters to be resolved in the Brexit negotiations.

The EU made the issue of the land border on the island of Ireland one of the three priority issues to discuss in the negotiations with the UK and this is indicative of just how serious a risk Brexit poses to peace and prosperity on this island.

The Committee welcomes the progress made by the Government to date in ensuring that the central importance of safeguarding the Good Friday Agreement is fully appreciated and recognised at EU level.

However, as this report outlines, there is no room for complacency and the implications for the Good Friday Agreement and the communities along the border are both complex and multi-faceted.

This report, based on three hearings, outlines the impact of Brexit on communities living in the border region from the North West through to mid and central Ulster covered by the Irish Central Border Area Network (ICBAN) and on to the Eastern Border Region. The Committee heard that these communities have already been affected economically by the prospect of Brexit.

The Committee heard of the serious concerns around the future of EU funding beyond 2020, particularly the PEACE and INTERREG programmes which have contributed so much to the peace process. The importance of maintaining these programmes was emphasised. In the event that these programmes cannot be maintained, establishing comprehensive successor programmes is essential.

The Committee also heard how communities along the border - both north and south - are lagging economically since 2016 in stark contrast to strong economic growth and employment in other parts of Ireland and Northern Ireland.

The Committee heard about the need to develop north south infrastructure and the need to undertake comprehensive impact assessments to potential changes to EU directives and regulations in Northern Ireland.

At the time of writing this report, Committee members, border communities and the wider public have no clearer understanding of how a hard border is to be avoided. A consistent message throughout hearings is that avoidance of a hard border is a top priority for those people who would be most affected by such a border.

The Committee underlines the crucial importance of maintaining an open, free flowing border allowing for the continued development of the all island economy in all respects. Infrastructural needs, agribusiness, cross border businesses and industries, including the retail sector, as well as SMEs, all stand to be adversely affected by Brexit and therefore a tailored solution based on geography, relationships, politics and people remains the goal.

The Committee welcomes the EU's declaration providing legal certainty that the entire territory of any future united Ireland would automatically become part of the EU in line with the Good Friday Agreement's principle of consent.

## Stakeholder Engagement

### 14 February 2019 (session 1)

**Mr. Paul Robinson – Chairman, ICBAN**

**Mr. Shane Campbell – CEO, ICBAN**

**Mr. Pat Treanor – SF, Monaghan County Council**

**Mr. Adrian McCreesh – Director, Mid-Ulster Council**

**Mr. Alex Baird – UUP, Fermanagh and Omagh District Council**

**Mr. Eoin Doyle – Director, Cavan County Council**

### 14 February 2019 (session 2)

**Ms. Pamela Arthurs – Chief Executive, East Border Region**

**Ald. Arnold Hatch – UUP, Armagh, Banbridge and Craigavon Council**

**Cllr PJ O’Hanlon – FF, Monaghan County Council**

### 4 April 2019

**Cllr Seamus O’Domhnaill – FF, Donegal County Council**

**Cllr Bernard McGuinness – FG, Donegal County Council**

**Seamus Neely – Chief Executive, Donegal County Council**

**John Kelpie – Chief Executive, Derry City and Strabane District Council**

**Cllr Gus Hastings – SDLP, Derry City and Strabane District Council, Chairman Northwest Regional Development Group**

## Key Findings

A central priority must be that commitments to cross-border cooperation embedded in the Good Friday Agreement remain a priority. Cross-border cooperation will become increasingly important to address the challenges resulting from economic, social and political uncertainty and instability. It is essential that the soft infrastructure necessitated be established to support cross-border cooperation.

Links at departmental and local government level and within civil society networks and projects must be protected and nurtured.

Strand II of the Good Friday Agreement provided for the institutional environment necessary to develop and promote increased cross-border cooperation. This has been central to the invisible 500km long border in place today and the significant development of daily activity – whether it be for trade, business, employment, education, access to services, tourism or otherwise – that takes place across the border every minute of every day. While there are 300 formal crossing points (and numerous informal ones) and an estimated 1,852,000 car crossings every month, there are currently no formal check points or requirements to stop. The border is now, for all intents and purposes, invisible.

The interests of border regions must remain central to both governments and the Northern Ireland Executive, including in terms of EU funding which is guaranteed to 2020 (discussed further in Chapter 3). Existing EU directives and regulations should remain in place until such time as any proposed change has been subject to comprehensive territorial, equality and environmental impact assessment

Members and witnesses expressed concern about the future of North South bodies given that a large part of their work is EU related, managing EU funded projects or transposing EU standards. Clarity is required urgently.

Given the challenges Brexit presents, the importance of bringing infrastructure in border regions up to standard and urgently fulfilling commitments made has never been more important.

Existing EU directives and regulations should remain in place until any proposed change has been subject to comprehensive equality and environmental impact assessment in border regions.

The Committee heard that Intertrade Ireland's remit in promoting cross border business and trade will face considerable challenges in the event the UK leaves the Single Market. More generally, members expressed concern about the impact of Brexit on cooperation between local authorities on both sides of the border working on joint programmes.

The North South Consultative Forum has an important role to play. The Committee urges all parties to address these outstanding elements of the Good Friday Agreement as a matter of urgency.

## Recommendations

The Committee recommends that consideration is given to developing an island-wide territorial cohesion policy, which would include a Cross-border Infrastructure and Investment Plan / Fund, to replace any loss of common INTERREG and Peace funds.

The Committee recognises the need to promote the three border regions as areas of national importance. Such designation must be reinforced by a national commitment to address the identified strategic infrastructural short-comings and redress historic underinvestment.

The Committee recommends comprehensive upgrading of infrastructure, both transport and broadband, to assist connectivity in the region.

In that context the **Committee recommends that both governments formally recommit to the long-planned A5-N2 Dublin to Derry dualling project**, highlighting its priority nature, and re-pledging what was originally agreed.

Furthermore, the Committee would encourage that if the National Broadband Plan cannot be advanced further to delivery in its current format, that an alternative solution is quickly realised for these border areas.

The Committee recommends promoting the border region as alternatives to the Dublin area for Foreign Direct Investment. At the same time, it is important to recognise regional drivers in Food Production, Engineering, Building Materials, Insulation Products, Green Technologies, Financial, ICT and Tradable Services Sectors and support the expansion of these key growth areas and emerging areas such as agri-tech, value added food production and the digital knowledge economy, and their growth potential in supply chain linkages with Northern Ireland areas.

The Committee supports the need for a Regional Employment Strategy which would form the basis for enterprise and employment creation by all stakeholders, including government departments and agencies, helping ensure the potential of all areas are realised, relative to their capacity for sustainable development.

There is collective local authority support for opportunities to promote 'slow tourism' markets, such as cycling and walking, utilising interlinked Greenways across the border area. These are prospective areas of growth and aided by the requisite government investment can increase overnight occupancies and visitor spending. The Committee supports the phased development of the Ulster Canal and associated tourist amenities would be welcomed. This needs to be recognised and supported nationally, with infrastructure investments around public realm, pedestrian priority and visual attractiveness

Development of the Foyle Port could benefit tourism on both sides of the border and assist in the transformation of the surrounding areas.

The Committee endorses the role of Local Authorities along the border in developing a bottom-up needs-based strategy for the Border Corridor to offset the challenges and identify any opportunities associated with Brexit. This fresh strategic approach should be endorsed by both governments to practically support the border region. In order to deliver this, priorities for action need to be agreed in consultation with local stakeholders.



## Chapter 1: Irish Central Border Area Network

The Committee heard from the Irish Central Border Area Network (ICBAN) on 14 February.



ICBAN is the local authority-led cross-border development partnership which works in the area of the island known as the Central Border Region. The 8 Council members of the partnership are: Cavan, Donegal, Leitrim, Monaghan and Sligo and Armagh City Banbridge and Craigavon, Fermanagh and Omagh, and Mid Ulster.

The partnership has been advocating for common solutions to common cross-border problems since 1995. The region, though largely rural, contains some larger urban centres. It is remote from national or regional capitals, and as a consequence the area and its communities have been regularly overlooked in terms of investment.

The Committee heard testimonies on the challenges and issues facing the area on the following areas: cross-border development, Brexit, industry and infrastructure, broadband, tourism, canals and waterways.

### Cross-Border Development

The committee heard that ICBAN's area of focus is in promoting and developing cooperation between member councils and their communities on matters of cross-border and regional development. There has been a positive history of collaboration between the local authorities and their communities. A recent example has been a joint submission to the Regional Spatial and Economic Strategy of the Northern and Western Regional Assembly.

## Brexit

The need to foster cross-border collaboration is now even more acute, given the challenges of Brexit. As a by-product of the Brexit process, the border has been front and centre in discussions and media coverage. Indeed, the questions of the border and cooperation have been elevated to levels not seen for many years.

The Committee heard about the important role that local authorities must play in the continued delivery of local services. Whilst national governments and political attention will likely continue to be focused on Brexit for some time yet, the delivery of local services to citizens must continue. In the vacuum of a NI Executive, local authorities in NI continue to play a key role in the democratic functioning of government. Through engagements and joint delivery in Community Planning for example, and its focus on the economic and social elements of well-being, the impact on local services could be minimised. Cross-government support to this developing key role would be welcomed.

The Committee heard how over 20 years the partnership has helped lever significant investment into the region, and cross-border projects between local authorities have had a positive impact on local communities. The significance of these investments on both sides of the border cannot be underestimated and given the importance of the challenges in the times ahead, the continuation or replacement for such cooperation funds must be a key priority. It is vital that a high-level strategic focus is prioritised for the wider border region by both governments and involving the EU where appropriate. It would be considered that whilst important, EU programmes can only marginally make a difference to lives and the economy of the area. A much more intensive and encompassing intervention will be necessary to help resolve long-standing issues which still challenge the fabric of border living.

ICBAN recommended that consideration is given to developing an island-wide territorial cohesion policy, which would include a Cross-border Infrastructure and Investment Plan / Fund, to replace any loss of common INTERREG and Peace funds.

ICBAN also asked that the Committee explicitly identify and promote the Region as an area of national importance. Such designation must be reinforced by a national commitment to address the identified strategic infrastructural short-comings and redress historic underinvestment. This would help mitigate the impacts of any negative Brexit.

## Industry and Infrastructure

The Committee heard about improvements across the region, but there is evidence to suggest that the border area has not received its fair share of infrastructure investment compared to other areas. For example, a review of Transport Infrastructure Ireland investment in road schemes suggests that spending per head on transport infrastructure in the border area is only around 45% that of other regions. If this disproportionate spending pattern continues, the border area will fall further behind economically, amplifying the issue of a 3-speed economy.

The wider area includes sub-regional pockets where key industries include engineering, manufacturing, tourism and agri-food etc. In planning terms, it must be recognised that it is not just about connecting urban areas, but is also about connecting centres of production with customers, workers, supply chain etc.

**ICBAN requested both governments to formally recommit to the long-planned A5-N2 Dublin to Derry dualling project, highlighting its priority nature, and re-pledging what was originally agreed.**

### Broadband

The Committee heard how the lack of broadband connectivity is one of the most pressing and concerning issues for councils. Improvements are critical to help maintain competitiveness and to realise economic and social ambitions. It is vital that peripheral rural areas are not left until the end for delivery.

### Tourism / Canals and Waterways

The committee heard about the collective local authority support for opportunities to promote 'slow tourism' markets, such as cycling and walking, utilising interlinked Greenways across the border area. These are prospective areas of growth and aided by the requisite government investment can increase overnight occupancies and visitor spending.

The business case for the Ulster Canal highlights the many positive outcomes. It has been regularly referenced in cross-government agreements, including Project Ireland 2020-2040. It could be delivered on a phased basis to minimise short-term demands on public funds. All the cross-border Councils directly involved promote the Canal's regeneration.

The Committee heard how border towns provide a key spatial and economic role in their immediate areas and in serving surrounding hinterlands. This should be recognised and supported nationally, with infrastructure investments around public realm, pedestrian priority and visual attractiveness.

In concluding, the representatives of ICBAN pointed to the UNESCO Marble Arch Caves Global Geopark between Cavan, Fermanagh and Omagh, the referenced 'Statement of Common Good' on planning between 4 Local Authorities and the collective attendance today as proof of the commitment by local government. **They also need the recognition and support of central government to address the challenges, just as government has assisted other regions, including the North-West and the Eastern Border areas.**

ANNEX: FULLER NOTE ON CHALLENGES AND ISSUES FOR THE CENTRAL BORDER REGION, FOR WHICH COMMITTEE SUPPORT AND ASSISTANCE WOULD BE WELCOMED [provided by ICBAN in their submission to the Committee]

- 1 To promote an island-wide territorial cohesion policy, which would include a Cross-border Infrastructure and Investment Plan / Fund, to replace any loss of common INTERREG and Peace funds which the area has benefited from.
- 2 To explicitly identify the Central Border Region as an area of national importance. Such designation must be reinforced by a national commitment to address the identified strategic infrastructural investments and redress historic underinvestment. Such high-level interventions could include the establishment of the area as a Border Development Zone.
- 3 To promote the quality of life in border region locations as alternatives to the Dublin area for Foreign Direct Investment.
- 4 To develop a Regional Employment Strategy which would form the basis for enterprise and employment creation by all stakeholders, including government departments and agencies, helping ensure the potential of all areas are realised, relative to their capacity for sustainable development.
- 5 To recognise regional drivers in **Food Production, Engineering, Building Materials, Insulation Products, Green Technologies, Financial, ICT and Tradable Services Sectors** and support the expansion of these key growth areas and emerging areas such as agri-tech, value added food production and the digital knowledge economy, and their growth potential in supply chain linkages with NI areas.
- 6 To seek that a reaffirmed commitment by the Irish Government to the **upgrading of the N2/A5 corridor** is supported by the pledge to provide the original match-funding shares, which will enable the road to be advanced for completion.
- 7 To highlight the importance of **N16/A4 scheme as a strategically important cross-border corridor linking Sligo and Enniskillen**, and reflecting the ambitions of the NI RDS 2035.
- 8 To promote improvements to other important accessibility routes for the Region including the **M3, A29, N3/A509, and the Dundalk/Cavan/Sligo East West strategic route**.
- 9 To include a definitive statement of ambition relating to the N4 route, the primary road artery serving the Regional Growth Centre of Sligo and the key town of Carrick-on-Shannon.

- 10 To highlight the critical need for the urgent delivery of high-speed broadband and telecommunications infrastructure, and across rural regions in particular.
- 11 To promote the border region as a prospective area for tourism growth and which can serve as a focal point in linking the regional experience brands.
- 12 To highlight and support the Ulster Canal development as an important regeneration project for the border region.
- 13 To promote the siting of a University within the border region, to help develop skilled jobs in key regional industries such as engineering, agri-food/science and construction etc.
- 14 To secure national support for the regeneration of Border Towns, as having key spatial and economic role in their immediate areas and in serving surrounding hinterlands.
- 15 To expand the delivery of gas infrastructure within the region, and particularly to those areas of the border region not currently supplied, having regard to the location of existing infrastructure in assessing potential developments.
- 16 To promote a review of the effectiveness of the *2010 Framework on Cooperation on Spatial Strategies Between Ireland and Northern Ireland*, and within which the delivery of regional and national plans could effectively complement comparable strategies in NI.
- 17 To encourage regional cross-border Community Planning and its focus on the economic and social elements of well-being, to positively impact on the delivery of local services to border citizens.

## Chapter 2: Eastern Border Region

The Committee met with representatives from the Eastern Border Region on 14 February.



East Border Region Ltd is a Local Authority led cross-border network. The East Border Region comprises six Local Authorities namely; Newry, Mourne and Down District Council, Armagh, Banbridge and Craigavon Borough Council, Ards and North Down Borough Council in Northern Ireland and Louth, Monaghan and Meath County Councils in Ireland, serving a total population of 826,000.

East Border Region was established in 1976 to promote innovative, cross-border economic development in the areas of agriculture, industry, commerce and tourism and to improve the living conditions and employment prospects of those living in the region. East Border Region was awarded the role of Implementing Body in the Ireland/Northern Ireland INTERREG IIIA Programme 2000-2006 and as a result successfully implemented approximately €25 million to genuine cross-border projects across the region. During the period 2007 - 2014 East Border Region successfully delivered 11 projects totalling €15.5 million from the INTERREG IVA Programme. East Border Region are actively involved in 8 projects in the current INTERREG VA Programme (2014-2020) totalling €91 million.

East Border Region is a democratic, representative, transparent, multi-skilled, cross-border organisation. The post of chairman rotates annually north and south and East Border Region was the first-cross border group to elect a DUP chair.

The Committee heard from **Councillor PJ O'Hanlon** who noted that cross-border cooperation on the island of Ireland is relatively young. The impetus came in the 1970's from local elected representatives in the border area both north and south who recognised the value of cross-border cooperation.

Councillors and officials who were members of East Border Region worked under the shadow of the wider political situation. The political climate made it difficult to attend meetings across the border, but Local elected representatives persevered because they quickly realised that:

- *'back to back'* development was not working;
- There were areas of common concern across the border;
- There was a strength in working together and that;
- The Border area was more disadvantaged on both sides.

The European Union in the early 90's first provided financial assistance for cross-border development in the form of the INTERREG Programme and the subsequent Peace Programme. Whilst there are over 70 INTERREG Programmes across Europe the Peace Programme is unique to Ireland-Northern Ireland and demonstrates the commitment from the other EU member states to Peace in Northern Ireland. Since the 1990's substantial EU INTERREG and PEACE Funding enabled the transformation of the Border Region both economically and socially and ensured that Local Authorities were at the forefront of cross-border economic development. EU funding enabled East Border Region to be more outward looking, to share and learn from colleagues in other areas across Europe and to realise that the Ireland-Northern Ireland border area suffers similar problems to other border regions in Europe.

Capacity and trust have been developed amongst both elected members and officials and East Border Region has built up an excellent track record in the management of EU Funding. East Border Region have always adopted a "bottom-up" and needs-based approach to cross-border cooperation, where the views of local authorities and key stakeholders in the region are paramount.

The Committee heard from **Alderman Hatch, Vice Chair of the East Border Region**, who provided more detail and examples of EU funding in the region. East Border Region has been involved in all the INTERREG programmes to date, drawing down millions of euro for a host of projects which have benefitted communities along the entire border corridor. This money has contributed significantly to the modernisation of the border corridor.

The committee heard about the Greenway projects - from Newry to Carlingford and from Smithborough in County Monaghan to Middletown in County Armagh. These are two cross-border Greenways which have a positive impact on the cross-border region.

The committee heard about the current application of €9.2m to install a necklace of 73 rapid Electric vehicle chargers along the Irish border and also to include the Western coast of Scotland. This is a highly strategic project involving organisations such as Sustainable Energy Authority of Ireland, Ulster University, Dundalk Institute of Technology and the local authorities along the border corridor which seeks to raise public awareness and increase the use of electric vehicles.

As well as working with Local Authorities, East Border Region have entered into strategic partnerships with a wide range of key stakeholders who are implementing INTERREG VA Projects. This includes organisations such as Irish Water, NI Water, Intertrade Ireland, Ulster Wildlife Trust and a number of Universities in Ireland, Northern Ireland and Scotland. East Border Region provide a unique service to

these projects in respect of the financial management of EU Funding thus ensuring all expenditure is in line with the Programme rules.

Finally, the Committee heard from **Pamela Arthurs, CEO of the EBR.**

She outlined the findings of **“Brexit and the Border Corridor on the island of Ireland: Risks, Opportunities and Issues to Consider”** which was commissioned by the 11 Local Authorities which make up the border corridor. Facilitated by East Border Region, this report (October 2017) clearly identified that the economy of the border region currently lags behind the economies of both Ireland and Northern Ireland. It also outlined regional disparities existing along the border.

### Key Recommendations of the report “Brexit and the Border Corridor on the Island of Ireland: Risks, Opportunities and Issues to Consider”

In order to address the structural weaknesses in the border region the report states that intervention is needed now.

- Upgrading infrastructure, both transport and broadband to assist connectivity in the region.
- Ongoing business support measures to assist business prepare for and deal with the impact.
- More focus on relevant skills levels in the region.
- A Brexit Transition Programme along the lines of a Territorial Cooperation Programme to assist the border region to adapt to the challenges of Brexit. This needs to be broad based as Brexit will impact every sector.
- Continuation of EU funding Programmes, or alternative funding Programmes. This includes the broad range of funds, such as Horizon 2020, Rural Development, Erasmus etc.

**The Committee heard that going forward, new policy thinking and new methods of cooperation and partnership between Local Authorities and with central Government will be essential for border management to work in the wake of Brexit.**

The eleven Border Local Authorities want to work with both governments to develop and propose creative solutions for border management as follows:

- Local Authorities along the border wish to develop a bottom-up needs-based strategy for the Border Corridor to offset the challenges and identify any opportunities associated with Brexit.
- This fresh strategic approach should be endorsed by both governments to provide practical support to the border region.



- This strategic piece of work will build on the 2017 report and use it as a baseline to -
  - Establish priorities for action
  - Engage Local Stakeholders, Social Partners, Business etc.
  - Consider implementation structures
  - Consider sources of funding

The committee heard that high level support and commitment from both governments is essential if this approach is to be successful.

Existing Local Authority cross-border groups such as East Border Region are well placed and have the proven track record to coordinate, facilitate and manage any dedicated intervention in respect of this approach but they require resources now in order to do this. **“Bottom-up, needs-based, driven and delivered locally.”**

## Chapter 3: North West Strategic Growth Partnership (NWSGP)

The Committee met with representatives from the North West Strategic Growth Partnership on 4 April.



The North West Strategic Growth Partnership is a unique partnership established in 2016 through the North South Ministerial Council that brings together senior Government officials from all Government departments in the Republic of Ireland and Northern Ireland to meet with Donegal County Council and Derry City and Strabane District Council to deliver on the strategic priorities aimed at bringing real and positive change for the North West City Region.

The Partnership is jointly led by Donegal County Council and Derry City and Strabane District Council and is supported by the International Centre for Local and Regional Development (ICLRD).

In addition to the two Council Chief Executives, Cathaoirleach of Donegal County Council and the Mayor of Derry City and Strabane District Council and the chair and co- chair of the North West Regional Development Group, senior officials from a number of Government Departments in the Republic of Ireland and Northern Ireland are represented on the Partnership.

A new strategic approach has been adopted over the last number of years which has created new structures, governance and Partnership agreements. Each of the councils re-structured in 2014 and 2015 with the reform of local Government in both jurisdictions. This acted as a catalyst for both councils to look at economic development in a new way using new powers allocated to each council. The model comprises six elected representatives from both councils who have been given delegated authority to take key decisions in respect of economic development,

environmental regeneration and community cohesion. This is coupled with input from senior representatives from all Government Departments in both jurisdictions.

The group advised that they are of the belief that this model is the only such one in existence throughout the European Union. That is, one which is on the border of the European Union or across two jurisdictions, which has cross-community, cross-council and national Government participation and the authority and power to take key decisions in respect of that city region jurisdiction.

The Committee heard that the Partnership aims to realise the full and considerable potential of the North West city region, as a positive contributor to the economy, North and South. The region is home to Derry, the fourth largest city on the island - which has been recognised by Government in the National Development Plan - and one of the youngest populations in Europe.

There is a strong emphasis on cooperation between the Authorities, with a full recognition on all sides that benefits accrued are to the North West region and as such, they work together, collaborate and cooperate to assist each other in any way possible.

Indeed, the Committee heard tribute paid to the Northern and Western Regional Assembly for holding a meeting in the chambers of Derry City and Strabane District Council. This was the first occasion on which a regional assembly held an official meeting outside of its jurisdiction. This illustrates the strength of the partnership in the region and the strong will to see all in the region as one people.

**The Committee heard that as one of the few City Regions within Europe that will potentially now see an EU/non-EU international frontier cut across it** – the region faces particular challenges. Peripherality has been a continuing issue for the region with poor infrastructural linkages to the major cities of Belfast and Dublin. These challenges will only be compounded by the changes that Brexit will bring, no matter in which form it is implemented.

While many areas make claims to their uniqueness in the context of Brexit, NWSGP's research to date provides a robust evidence base. It unambiguously demonstrates the extreme sensitivity of this region to any changes in trading arrangements whether by the imposition of tariffs, quotas or restrictions on services or labour mobility.

This 'economic entity' has benefitted significantly from the cross-border collaboration evident in the spheres of education, health, environment and research and development, through economies of scale, reduced duplication and improved co-ordination rather than back to back development.

Uncertainty at the level of citizens, negatively impacts upon consumer confidence, consumer spending and ultimately quality of life. Similarly, within a business environment it undermines business sentiment, and in turn investment and wealth generation which affects those living within this region. It also impacts on the ability of local government to raise revenue and thus provide improved services.

The Committee heard that the total cross-border trade in goods in 2014 came to just over €3 billion and has shown four years of growth after a sharp recession between 2007 and 2010 when

almost a quarter of the trade's value was wiped off. However, it should be noted that the importance of cross-border trade to the two economies of Northern Ireland and the Republic of Ireland is quite different, thus the potential impacts of Brexit are asymmetric. In short, cross-border trade is of much more importance to the aggregate NI economy and firms than to that of the Republic of Ireland. While goods trade accounts for less than 2% of Ireland's total exports (or less than 1% of GNP), the combined cross-border sales of goods and services from NI accounts for approximately 10% of GVA. Although cross-border trade accounts for around a sixth of small firms' exports from the Republic, this is still dwarfed by the share in NI which stands at two thirds of export sales.

### Trade issues for consideration in the North West City Region (NWCR)

There is a need to **better understand the sectoral exposure** in the regions. Although the initial consultations have shown that the agri-food sector is a key one in both council areas, in terms of employment and numbers of firms, more analysis is needed to show how concentrated both Donegal and DC & SDC are in other risk-exposed sectors (traditional manufacturing, pharmachem, materials manufacturing), as well as what the particular sectoral needs might be.

One area of **key information deficit is how trade moves between these islands and onward elsewhere**. Consulting with businesses, Londonderry Port and freight forwarders will be critical to understand the role of logistics and global value chains in what impacts Brexit may have on trade locally.

While there is an understandable current focus on the short-term impacts of currency fluctuation there is a continuing need to address **the longer-term issues around diversification and pathways to exporting**. It is useful to note that the Republic of Ireland has reduced the share of its exports going to the UK from 50% in 1973 to around 17% in 2015, but the dependence on a small number of geographic markets on both sides of the border is again highlighted by Brexit and is something which needs continually to be tackled perhaps by supports to make first time exporting lead on to other new markets.

Related to this is a need **to better understand the trade dependencies at the enterprise level**. Currently the available evidence provides only a broad sweep of sectoral and some regional risk exposures and the consultations suggested that there are clear differences in orientation and market strategies perhaps between FDI and indigenous firms, as well as large and small firms. Understanding how Brexit may impact on individual market decisions by firms will be crucial to local economic development planning.

Finally, the **opportunities to further integrate all-island supply chains, in particular in the agri-food sector** (e.g. Irish firms currently control 60% of NI's dairy processing capacity) need to be explored, particularly in areas close to the border, and perhaps assisted where regulatory issues arise.

## Infrastructure

The infrastructural need of this region is perhaps the greatest challenge it is facing. In terms of peripherality, Donegal is the county furthest from Dublin and if travelling from one county to the other, the border must be crossed twice. With regard to the geography of Donegal, its longest land border is with the North. Only 3% of its land border is shared with the Republic of Ireland, totalling fewer than 10k of border with County Leitrim.

The only train service in the area is to Derry city and in the absence of a connected train service the region is almost entirely dependent upon road links. The North West is also the only area of the country which is not connected by a major motorway or dual carriageway. In this context, **the Committee heard that it is of vital importance to ensure that the long-promised upgrade of the A5-N2 road network takes place. The promised update of the A5-N2 road network has been impending since the signing of the Good Friday Agreement in 1998.** The development of this road would allow the region to fully realise its economic potential, retain people within the region and to be more connected with the rest of island. In respect of the connection to the A6 to Belfast, the development of roads in the North West is crucial to the further development of the city region.

The Committee heard that as a result of Project Kelvin, broadband speeds in Donegal and Derry are on par with broadband speeds in Europe. The group sees this as evidence of the regions resilience and capacity to offer services to the same standard as anywhere else in Europe.

The Derry-Letterkenny region cross-border region has been prominently established by the Government within both the National Planning Framework and the National Development Plan. As the fourth largest city region on the island, the primary objective is to ensure that the region can become a positive contributor to the economy on both sides of the border. In order to do so, it is of vital importance that the region is strategically recognised as having the prominence given to it in the aforementioned documents.

## Brexit

The Committee heard that there is a substantial fear among the people of region that the consequences of decisions that may be made in Westminster will have a greater impact upon the region than any other in Europe.

There are concerns and confusion in the region surrounding practical issues such as insurance and driving licences. Further to this, the potential impact in terms of healthcare, education, free movement of people and goods and tariffs are, the Committee heard, frightening to the people of Donegal and Derry.

**Derry city is the only region in the UK and Ireland on a jurisdictional border.** As many as 20% of the employees of Donegal County Council cross the border daily. Similarly, many thousands of people leave Donegal daily to work in areas such as Strabane, Omagh and Derry city. The free movement of people in the area is of essential importance. The Committee was made aware of

the need for recognition of the unique cross-border jurisdictional nature of Derry city, the environs of which spill over into Donegal. As such, it is crucial that there are no negative impacts upon free movement in the area.

Concerns have been expressed about a perceived lack of acknowledgement towards the unique situation of Northern Ireland in the context of Brexit. It was stressed that the real and negative impacts on the people of the region must be taken into consideration in any negotiations or discussions on Brexit.

The group emphasised that regardless of the outcome, the situation under any deal that is reached will be less favourable than what is currently in place between the border counties.

### EU funding

The Committee heard that it will be crucially important to **accurately assess the full extent of EU funding across the council areas** (in addition to direct Council funding) in areas including rural development projects, economic development programmes (through ERDF and ESF), Community, Voluntary, Social Enterprise sector initiatives (through Peace, ESF, RDP, etc.), HE and FE skills, research and mobility funding (through ERASMUS, ESF, etc.) and future infrastructure projects supported by EU funding (e.g., NW Science Park extension).

Establishing the extent of cross-border funding that is dependent on NI/RoI partnerships.

Ensuring that there is a future for some of the key projects beyond the Treasury guarantee and that the UK government will step in to replace EU funding beyond 2020. The areas to be covered (whether agriculture, community and voluntary sector, cross-border, etc.) also need to be clarified.

Exploring opportunities for alternative funding sources and assessing how sustainable projects will be without EU funding.

### Tourism

In order to grow tourism, ease of movement across the border (or addressing any hint of difficulties of access) as well as connectivity to the major ports and airports (Dublin and Belfast) is crucial to help realise tourism ambitions in the region.

At international level, the NWGSP collectively market the region as one place. They hold investment visits on a joint basis and are currently working on the development of a North West joint tourism strategy. This has encompassed ensuring that the work carried out enables a focus on the practicalities of what is necessary to support the communities in the regions. Examples of the success of this strategy includes the hosting of the Dubai Duty Free Irish Open at Ballyliffin Golf Club, Donegal in 2018 during which some 95,000 people visited the area over the five-day duration of the tournament.

The Committee heard about plans to develop Foyle Port, which straddles both sides of the border and is simultaneously in the EU and UK. The Committee heard that this is a natural deep-water harbour and plans to develop the area aim to cater for cruise liners and take advantage of the growing cruise ship business. This business would benefit tourism on both sides of the border and transform areas that are considered deprived. Phase 1 funding of €8m is proposed by Donegal Co. Council. The Committee were advised that the projected total cost is €30m and is expected to be repaid within 8 years by the projected value created by this investment.

## Education

The cross-border region served by the NWSGP has a population of circa 350,000, approximately 35% of whom are aged 25 years or younger. This amounts to some 40,000 students in the region although retaining young people in the area has been difficult in recent years. Concerted efforts are being made on an aligned basis to assist in the retention of young people following their completion of higher education.

One such effort is the signing of a memorandum of understanding between Ulster University at Magee, Letterkenny Institute of Technology, the North-West Regional College and Donegal Education and Training Board. The aim of this is to ensure continued capacity for educational facilities to understand the current and emerging skills and educational needs of the communities and businesses in the region. Bespoke classes are created at all four institutions and a high percentage of students who participate in these courses go straight into employment at local level. In this sense, education is not only provided in consideration of the number of students in the region but is aligned with the skills needs of the region.

Concerns were raised relating to funding caps for Northern Irish students. The Committees' attention was drawn to issues with capping of local student numbers in Northern Ireland universities, due to the need to subsidise fees, making expansion difficult. The Committee heard that the cap on university places means that thousands of students move to Great Britain and go on to pursue their careers there. Concerns were also expressed about the Irish Government funding fees for students to study cross-border.

In May 2019 a MOU was signed by both Governments concerning the Common Travel Area which states that the CTA affords Irish and British citizens the right to access all levels of education and training, and associated student support, in each other's state, on terms no less favourable than those for the citizens of that state.

## Health

The Committee heard about Co-operation and Working Together (CAWT), which is a cross border health and social care partnership comprising the Health and Social Care Board and the Public Health Agency in Northern Ireland, the border counties of the Health Service Executive in the Republic of Ireland and the Southern and Western Health and Social Care Trusts in Northern Ireland.

CAWT is managing a range of cross border health and social care programmes, part financed by the European Union's European Regional Development Fund through the INTERREG VA cross-border Programme managed by the Special EU Programmes Body.

There two major hospitals located in the region – Letterkenny University Hospital and Altnagelvin Area Hospital, which stands on the outskirts of Derry. The Committee heard of the importance of maintaining the CAWT partnership in light of the fact that Altnagelvin is funded on a cross-border basis. The hospital provides significant services to the region, such as cancer and cardiac services. These services are dependent on the critical mass of the population. Funding from both the Irish and British Governments was made available as a critical mass was established showing these services to be sustainable. Changes to the cross-jurisdictional code that is currently in place would create difficulties in terms of movement, but also on a human level and in terms of making arguments to sustain services that serve the people of the region.



## Appendix 1

Terms of Reference:

(1) That a Select Committee consisting of seven members of Dáil Éireann be appointed to be joined with a Select Committee to be appointed by Seanad Éireann to form the Joint Committee on the Implementation of the Good Friday Agreement to consider—

- (a) issues arising from Ireland's role as a signatory to the Good Friday Agreement,
- (b) ongoing developments in the implementation of the Good Friday Agreement, and
- (c) any proposals relating to the implementation of the Good Friday Agreement and such related matters as shall be referred to it by the Dáil and/or the Seanad from time to time, and to report back to both Houses of the Oireachtas at least once a year.

(2) The Joint Committee shall have the powers defined in Standing Order 85, other than paragraph (2A), (4A), (4B), (6A), (6B) and (6C) thereof.

(3) The Minister for Foreign Affairs and Trade (or a member of the Government or Minister of State nominated in his or her stead) shall be an *ex officio* member of the Committee and shall be entitled to vote in proceedings.

(4) Members of the Westminster Parliament elected from constituencies in Northern Ireland may attend meetings of the Joint Committee and of its sub-Committees and may take part in proceedings without having a right to vote or to move motions and amendments.

(5) The Chairman of the Dáil Select Committee shall also be the Chairman of the Joint Committee.”

## Joint Committee on the Implementation of the Good Friday Agreement

Deputies:                Declan Breathnach (FF)  
                              Fergus O’Dowd (FG)  
                              Seán Crowe (SF) [Chair]  
                              Tony McLoughlin (FG)  
                              Maureen O’Sullivan (IND) – Independent 4 Change  
                              Sean Sherlock (LAB)  
                              Brendan Smith (FF)

Senators:                Frances Black (IND)  
                              Frank Feighan (FG)  
                              Ned O’Sullivan (FF)  
                              Gerard Craughwell (IND)  
                              Niall Ó Donnghaile (SF)

### Notes:

1. Deputies nominated by the Dáil Committee of Selection and appointed by Order of the Dáil of 29 June 2016.
2. Senators nominated by the Seanad Committee of Selection and appointed by Order of the Seanad of 21 July 2016.
3. Senator Frank Feighan replaced Senator Jerry Buttimer and Senator Gerard Craughwell replaced Senator Marie-Louise O’Donnell by Order of the Seanad on 27 October 2016.
4. Deputy Fergus O’Dowd replaced Deputy Joe Carey Order of the Dáil on November 15 2016.
5. Deputy Seán Crowe nominated as Chair by the Dáil Committee of Selection and appointed by Order of the Dáil on 7 November 2017 and replaced Deputy Kathleen Funchion
6. Senator Denis Landy resigned his membership of Seanad Éireann on 28 November 2017
7. Senator Ned O’Sullivan replaced Senator Mark Daly by Seanad Éireann Committee of Selection 18 December 2018

Northern Ireland MPs invited to attend and participate in meetings of the Joint Oireachtas Committee on the Implementation of the Good Friday Agreement under Term of Reference (4)

Sammy Wilson (DUP)

Ian Paisley (DUP)

Paul Girvan (DUP)

Gavin Robinson (DUP)

Nigel Dodds (DUP)

Emma Pengelly (DUP)

Jeffrey Donaldson (DUP)

Jim Shannon (DUP)

David Simpson (DUP)

Paul Maskey (SF)

Chris Hazzard (SF)

Michelle Gildernew (SF)

Elisha McCallion (SF)

Mickey Brady (SF)

Barry McElduff (SF)

Francie Molloy (SF)

Sylvia Hermon (IND)