

## **Inquiry: Future of the Land Border with the Republic of Ireland**

### **Written evidence submitted by the Irish Central Border Area Network (ICBAN) Ltd**

#### ***Background to the Irish Central Border Area Network (ICBAN) Ltd***

1. ICBAN is a local authority-led cross-border development organisation.
2. The ICBAN partnership covers a significant area of the North West quadrant of the island of Ireland and has eight local authority members - three in Northern Ireland (Armagh City Banbridge and Craigavon, Fermanagh and Omagh, and Mid Ulster) and five in the Republic of Ireland (Cavan, Donegal, Leitrim, Monaghan and Sligo) - in the area known as the Central Border Region. The ICBAN Management Board comprises Elected Representatives from the member Councils.
3. The Central Border Region covers a significant area of the 310 mile land border.
4. ICBAN works in promoting cross-border co-operation between the local authorities and communities of the Region. Cross-border co-operation is a key EU principle and our Region has benefitted from this, with social and economic improvements enabled right along the border, made possible by structural funding and related supports.
5. The EU aims for territorial cohesion have fitted our regional needs: to reduce disparities between regions and arrest the backwardness of peripheral regions, such as rural border areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as low population density. Cross-border cooperation has helped in EU terms “to reduce the effect of borders as administrative, legal and physical barriers, tackle common problems and exploit untapped potential”.
6. After the conflict in the area, these co-operation measures helped develop and build trust again between the people of both parts of the island, as well as local Councils on the border, who have been engaging in cross-border cooperation. EU supports enabled the strategic upscaling of piecemeal cross- border activities to a level that would offer the potential for wider regional development.
7. The work which we promote is essentially about breaking down borders and barriers, irrespective if these are tangible or intangible, legal, administrative, or political. Cross-border co-operation has not only seen the physical barriers removed along the Irish border but the borders of the mind are also being eradicated.
8. These areas are still socially and economically vulnerable and would be significantly impacted by any rebuilding of barriers such as a hard border. It would therefore be a disastrous backward step to lose the various social and economic structures and initiatives that have taken years to reconstruct and develop and which are likely to be negatively impacted by a hard Brexit.

***What benefits currently derive from the open border arrangements?***

9. The absence of significant control at the border between Northern Ireland and the Republic of Ireland has derived many benefits for those living and working along the border and those businesses that trade across the border.
10. The impact of the removal of border checks as part of the Good Friday Agreement has resulted in increased trade opportunities, cooperation projects & ease of movement - all of which has benefited border communities. It is our understanding that around 18,000 people per day cross the border for work purposes. They do this unhindered by any real physical or administrative obstructions.
11. This freedom of movement makes daily life easier for border communities who work, study or shop on the other side of the border. Businesses can freely trade without the obstacle of the border.
12. It is important to note that border communities are responding vociferously to the implications of a hard border returning; given that the last border controls were removed in the recent past. The return of border controls would be deemed as having a wholly detrimental impact on communities, both to the north and south of the border.
13. It should also be noted that concern has been raised that the return of a hard border could heighten political tensions and social unrest, particularly in the border areas.

***General response to the reintroduction of a hard border, with associated customs controls.***

14. If the UK was no longer part of the EU Customs Union; the need for customs checks would likely be actively considered and the negative impact of which has been outlined above.
15. The 8 Member Councils of the cross-border partnership have expressed concern at a reintroduction of a hard border.
16. A soft border would be welcomed by the local communities of the Central Border Region; especially if this resulted in the free movement of people and goods and minimal border controls/checks. This would help maintain daily life, livelihoods, cultures, social-community links, and local and regional business confidence.
17. A Hard Border instead would return the area to the social and political disintegration that was experienced during the militarised controls of the Troubles era.
18. The additional related legislation and policy divergence which would be created between Northern Ireland and Ireland would complicate the potential of cross-border co-operation on the island.

19. Unlike in Great Britain where border controls and immigration dominated the EU Referendum debate and decision to leave the EU, this was not a key or over-riding issue for the Northern Ireland electorate.
20. A number of industries and sectors are particularly dependent on exports and imports across the border, especially Agriculture and food-processing.
  - a. Agriculture accounts for 63% of NI exports to EU (Ireland) and has been a driver of enhanced export growth recently.
  - b. Sheep exports to RoI, 350K. and NI milk processed in RoI, 500K Litres.
  - c. Irish food industries are regular and important suppliers to needs of the UK market - Irish export 41% to UK.
  - d. NI is a key market for Irish pig produce exports- 500K (Source for above is Irish Farmers Association).
  - e. Irish Mushroom farmers export 80% to UK. 5 companies have already gone out of business citing early Brexit impacts. Problems have been compounded by exchange rate changes, effectively destroying profit margins. Companies must wait on existing contracts to finish, to then restart negotiations on more favourable business terms.
  - f. Ultimately businesses faced with uncertainty can't effectively plan or make key decisions. This applies to businesses on both sides of the Irish border, awaiting more information on the detail of any new border arrangements.
  - g. The extent of border controls will also impact on education and the flows of students to schools, colleges, universities and institutes in the adjacent jurisdiction.

***What would be the implications of Northern Ireland having some form of special status within a post-Brexit UK?***

21. As a cross-border development organisation, ICBAN believes the border area requires special consideration in discussions and negotiations around Brexit.
22. Any special consideration will require both the political will and the provision of the financial means to do so. This will need the consent of UK Government, to negotiate with the EU on NI's behalf; and determine whether finances would come from the central government's budget or from the devolved budget.
23. There is a concern that in the absence of EU funds, border areas would be given less priority in Belfast, Dublin and London.
24. The lack of supports would increase the likelihood of a return to piecemeal cooperation with little regional impact. This would be a huge economic and social step backwards for border areas.
25. Significant policy divergences between both jurisdictions on the island may make cross-border cooperation more difficult, reverting to "back-to-back" policy development that would overlook opportunities for profitable cross-border collaboration.
26. Unique support measures are effectively needed to replace the expected loss of EU funding into border areas, whether that's through, for example, 10 years upfront infrastructure and development support to help create a self-sustaining economy, or the creation of a border development / enterprise zone through new fiscal measures that would be devolved.

27. Funding sources might include UK Exchequer top-ups, Irish government assistance, or continued involvement in EU structural funds that are financially matched by UK and Irish governments.
28. Ultimately NI and its border region needs these supports, as historically there has been a dependency on UK government funding (NI budget is 93% block grant) and EU funding (8% of GDP).
29. A territorial cohesion plan is needed to help economies such as the border region cope without the prop that EU co-operation supports has been.

***What lessons can be learnt drawn from other parts of the EU that have an external land border such as between Norway and Sweden/Finland, or between Switzerland and its neighbours?***

30. Examples indicate that Cross-border cooperation is possible between non-EU and EU countries, whether within EU Territorial Cooperation programmes or outside the EU framework. We would need more informed research and understanding to comment further.