

Beyond Brexit

Friday 9 April 2021

Key developments

Northern Ireland

West Belfast has <u>erupted into riots</u> with the worst witnessed along Lanark Way, between the loyalist area of the Shankill and the nationalist Springfield Road. Petrol bombs have been hurled across peace-walls, attacks made against PSNI officers and a bus engulfed in flames. Violence grew out of days of peaceful loyalist demonstrations during Easter, that began after the PSNI refused to prosecute leading republicans for attending a political funeral of former IRA agent Bobby Storey that broke social distancing guidelines.

Many factors have contributed to the febrile atmosphere. Northern Ireland is a fragile society, existing within multiple strands of complex, historical forces. But <u>Brexit has exposed Northern Ireland to a regression back towards violence and sectarianism</u>; it is the undercurrent in which an isolated spark could be readily heightened into a breakdown of already delicate cross-community cohesion, a consequence arguably underappreciated by both London and Brussels when they agreed to the Trade and Cooperation Agreement.

The Protocol, that separates Northern Ireland from the rest of the UK by way of regulatory barriers, is viewed by loyalists as a betrayal. The treaty, attached to the Withdrawal Agreement, is a challenge to the principles contained within the Good Friday Agreement, of an open border with the Republic, of legislative cooperation and of the region's constitutional place within the UK. But it is so unpopular that DUP leader and First Minister Arlene Foster has called for it to be scrapped, and her party and other unionists will almost certainly vote against its continuation when the first consent motion is placed before Stormont in 2024.

The re-emergence of widespread riots shows just how important the implications of Brexit and the Northern Ireland Protocol are for the region, in a way that is incomparable to any other part of the UK.

China-Russia alignment

Xi Jinping and Vladimir Putin are almost certain to dominate the anti-American axis well into the first half of the 21st century. It is increasingly evident that Beijing's and Moscow's priorities are increasingly coalescing.

This week, President Putin ratified a new law paving the way for him to retain his power in the Kremlin until 2036; having served two decades in power, the President is already the longest serving Russian leader since Joseph Stalin. Putin has in recent days amassed a military presence along its border with Ukraine, where a civil war has raged since Russia's annexation of the Crimea. Chinese premier Xi has also continued to put pressure on US allies. In a phone call with German Chancellor Angela Merkel this week, he said that the EU should "make the right judgment independently" on its position towards China, which within the context of last month's sanctions is no less than a reference to Europe's collaboration with the UK and US in regard to foreign policy.

Meanwhile, US Special Envoy for Climate John Kerry has been in India where he met with Prime Minister Modi, ahead of the Leaders' Summit on Climate hosted by President Joe Biden on April 22-24. When Russia's Foreign Minister Sergey Lavrov also visited India in recent days he was not afforded a meeting with Modi, in what can be interpreted as a sign of India's geopolitical priorities shifting towards Washington. The meeting between Kerry and Modi will bolster bilateral relations with members of the Quadrilateral Security Dialogue: the US, Australia, Japan and India, all of which have had relations with China strained in recent years. UK Foreign Secretary Dominic Raab was also in the Indo-Pacific region this week, <u>visiting Indonesia and Brunei-Darussalam</u> ahead of the deployment of HMS Queen Elizabeth to the South China Sea, waters over which Beijing is increasingly eager to dominate.

European Union

'Sofagate' engulfed the European Union this week after President of the European Commission Ursula von der Leyen was snubbed at a meeting with Turkish President Recep Tayyip Erdoğan and European Council President Charles Michel. The incident occurred after the Turkish hosts only laid out a seat for President Michel, forcing von der Leyen to retreat to a nearby sofa whilst the meeting began, prompting calls of sexism and a lack of respect from the Turkish towards the EU. President Michel later admitted that he may have made a mistake in not protesting the seating arrangement, but was worried about causing a diplomatic incident. Italy's new Prime Minister Mario Draghi was slightly more pointed in his reaction as he slammed the Turkish leader as being a 'dictator'.

Trade and Cooperation Agreement

The terms of the UK-EU future relationship are governed by two legally binding international treaties: the <u>Withdrawal Agreement</u> (WA), to which is attached the <u>Northern Ireland Protocol</u>, and the <u>Trade and Cooperation Agreement</u> (TCA). Whereas the WA established the conditions by which the UK withdrew from the EU, the TCA introduces a new bilateral relationship based on free trade and cooperation.

Review dates

March 2021

MoU, financial services regulatory cooperation

April 2021

- expiration of interim personal data flow measures (can be extended to June 2021)
- introduction of additional agri-food regulatory requirements [extended]

June 2021

- expiration of GB-NI prohibited meat product exemption period
- expiration (unless superseded) of equivalence for UK security depositories
- deadline for EU Settlement Scheme

July 2021

introduction of qualifying status scheme for NI businesses trading with EU

October 2021

expiration of GB-NI health certificate exemption period

December 2021

- deadline for new agreement on ownership requirements of air carriers
- expiration of GB-NI medicines grace period
- expiration of GB recognition of EU CE trademark
- expiration of rules of origin certification grace period

1 January 2022

• expiration of full import controls

1 March 2022

commencement of Border Control Post checks on live animal and low risk plant products

31 March 2022

• deadline for new agreement on energy interconnectors

30 June 2022

expiration (unless superseded) of equivalence decision for UK central counterparties

30 June 2023

- expiration of MHRA recognition of EU CE trademarked medical devices
- review of GB-NI movement of goods

31 December 2023

- review of cross-border data flows
- review of trade in wine
- review of UK application of EU law in NI, EU-UK Joint Committee

2024

review of trade aspects of TCA including product-specific rules

31 December 2024

• deadline for first NI legislative consent motion

2025

• first five-year comprehensive review of TCA

31 December 2026

• adjustment period on fishing ends and annual negotiations begin

International events

Leaders' Summit on Climate – 40 world leaders have been invited to the Leaders Summit on Climate. The Summit will be hosted by President of the United States Joe Biden and will take place virtually, 22-23 April.

G7 – The UK has taken on the Presidency of the G7 group of nations in 2021. Prime Minister Boris Johnson will gather leaders of G7 nations, the EU and guest countries at the G7 Summit in Carbis Bay, Cornwall on 11-13 June 2021.

D10 – The UK is working to establish a "Democracy" 10 group to address concerns regarding China's emerging superpower status and is intended to consist of the original G7 members plus Asiatic countries South Korea, India and Australia.

COP26 – The UK will host the 26th UN Climate Change Conference of the Parties (COP26) at the Scottish Event Campus (SEC) in Glasgow on 1 - 12 November 2021.

Trade negotiations

"Roll-over" agreements

The UK has sought to reproduce the effects of pre-existing EU agreements which have since expired following the end of the Implementation Period. The provisions contained within the <u>Trade</u> (<u>Disclosure of Information</u>) Act 2020 and the <u>Trade Bill</u> give the Government the legislative power to roll over trade agreements that it had as an EU Member State up until 31 January 2020 and to negotiate new bilateral deals with countries and trading blocs.

The UK has <u>signed 31 free trade agreements</u> which took effect from 31 January 2020, while it is in negotiations with a further 6. Mutual recognition agreements have been signed with <u>Australia</u>, <u>New Zealand</u> and <u>the US</u>. Trade with countries that the UK does not have a free trade agreement with are governed by the <u>UK global tariff</u> in accordance with WTO terms.

Australia

- 17 June 2020: Trade with Australia
- 17 July 2020: UK's approach to negotiating a free trade agreement with Australia

CPTPP

- 17 June 2020: UK approach to joining the CPTPP trade agreement
- 18 July 2020: <u>Trade with the Comprehensive and Progressive Agreement for Trans-</u>
 Pacific Partnership
- 30 January 2021: <u>UK applies to join huge Pacific free trade area CPTPP</u>
- 1 February 2021: Formal Request to Commence UK Accession Negotiations to CPTPP

New Zealand

- 17 June 2020: <u>Trade with New Zealand</u>
- 17 July 2020: UK approach to negotiating a free trade agreement with New Zealand
- 9 November 2020: <u>Negotiations on the UK's Future Trading Relationship with New Zealand: Update</u>

US

- 28 February 2020: <u>UK-US Trade and Investment Working Group</u>
- 2 March 2020: The UK's approach to trade negotiations with the US
- 2 March 2020: <u>Trade with the US</u>
- 24 April 2020: Exchanging information during UK-US trade agreement negotiations

For further information, please email team@randallsmonitoring.co.uk
© 2021 Randall's Monitoring | All rights reserved