

BRITISH IRISH COUNCIL

FOR INFO

ISSUE:

Briefing for BIC on Friday morning

PRIVATE OFFICE COMMENTS:

Ahead Friday's BIC, you have pre briefs with NIO officials on Thursday afternoon and with the wider UKG delegation on Friday morning just before the summit.

You will receive the full briefing pack and papers (which are still being finalised) on Thursday evening. Below is the core brief from NIO officials on NI related topics, for your reference ahead of Thursday afternoon's pre brief.

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SECRETARY OF STATE COMMENTS:



BRITISH IRISH COUNCIL SUMMIT
6 NOVEMBER 2020 0900 - 1100
SOSNI BRIEFING

Overview

1. This is the 34th Bi-Annual meeting of the BIC Summit which will be hosted virtually by the Scottish Government with a focus on Economic recovery. The First Minister of Scotland will chair the Summit meeting, including all agenda items.
2. As this is a virtual meeting, there will not be the opportunities usually available at BIC summits to engage with the other members in and around the formal meeting; rather this will be a focussed two hour session with the main agenda item being Economic Recovery from Covid-19.
3. CDL will lead the UKG delegation and will be joined by you and the Secretary of State for Scotland. CDL will refer to you for input on **Economic Recovery discussion** and will also invite you to provide an update on recent **political developments in NI**. Suggested Lines to take have been provided, along with relevant background and steer for these agenda items. A copy of the wider UKG Delegation briefing is also attached at **Annex A** for information.

Agenda

	<u>Approx Timing</u>	<u>Supporting Paper(s)</u>
1. Welcome	5 mins	<ul style="list-style-type: none">• NA
2. Discussion topic: Economic Recovery from Covid-19	45 Mins	<ul style="list-style-type: none">• Economic Recovery from Covid-19
3. Latest political developments	45 Mins	<ul style="list-style-type: none">• NA
4. Ongoing work of the Council	20 Mins	<ul style="list-style-type: none">• BIC Environment Sector Forward Work Plan• IML Forward Work Plan• BIC Annual Report 2019• Work of the Council Report Nov 2020
5. Minutes of the 33rd Summit, Ireland, 15th November 2019	1 Min	<ul style="list-style-type: none">• Minutes of the 33rd Summit (For Approval)

6. End-Year and Mid-Year Reports	1 Min	<ul style="list-style-type: none"> • BIC Review June 2020 Report • Secretariat End of Year Report 19/20 • Secretariat Mid Year Report Nov 2020
7. Date and location of the next BIC Summit	1 Min	<ul style="list-style-type: none"> • NA
8. Any Other Business	1 Min	<ul style="list-style-type: none"> • NA
9. Draft Communiqué	1 Min	<ul style="list-style-type: none"> • Draft Communiqué (For Approval)

Ministerial Attendees

UKG

The Rt Hon Michael Gove MP
The Rt Hon Brandon Lewis MP
The Rt Hon Alister Jack MP
Her Majesty's Ambassador to Ireland, Dublin

NI Executive

Rt. Hon. Arlene Foster MLA
Michelle O'Neill MLA
Diane Dodds MLA

Irish Govt

Micheál Martin, T.D.
Leo Varadkar, T.D.
Simon Coveney, T.D.

Other BIC Member Administrations

Scottish Govt

Rt. Hon. Nicola Sturgeon MSP
Michael Russell MSP
Kate Forbes MSP

Welsh Govt

Rt Hon Mark Drakeford AM
Ken Skates MS

Isle of Man

Hon. Howard Quayle MHK
Hon. Alfred Cannan, MHK

Government of Guernsey
Deputy Peter Ferbrache

Government of Jersey
Senator Le Fondré
Senator Lyndon Farnham
Senator Ian Gorst

Key Agenda Item 1 - Economic Recovery from Covid-19

Steer

1. The First Minister of Scotland will present the attached paper and lead a discussion of the paper on economic recovery from the coronavirus. Each Member Administration (MA) will be invited to provide a 5-minute summary of proposed economic response to Covid-19. CDL will lead the UK Government's response and will invite you to provide comments from an NI perspective.
2. CDL will focus on green recovery - cutting admissions and Net Zero; green investment in jobs and housing; COP26 and decarbonisation papers on transport, energy, heat, buildings and the natural environment.
3. We recommend that you underline UKG's support for the NI economy to date, with reference to the support provided for jobs and businesses to date. We expect the Executive's recovery plans to increasingly focus on health and wellbeing; the economy; skills; the public sector; and the natural and built environment. We recommend that you highlight the need to focus on opportunities for growth as part of NI's economic recovery, and underline the need for a collaborative approach to maximise the impact of Clty Deals, R&D funding, promoting the NI economy and investment in skills.

Suggested Lines to Take

- Whilst households and businesses face significant challenges right across the UK, I am confident that Northern Ireland has a promising economic future.
- I firmly believe that Northern Ireland has all the assets it needs to succeed – the talent; the great companies; the entrepreneurial spirit; the world leading sectors and universities; the retail, hospitality, leisure and cultural offering.

- To succeed, we will need to seize every opportunity and work collaboratively as we seek to progress opportunities for growth to sustain economic recovery:
 - We need to maximise the impact of City Deals which are focused on digital and innovation projects which will drive long term economic growth, and seize the opportunities of Freeports and the Union Connectivity Review.
 - We need to maximise R&D and commercial innovation.
 - We need to continue to promote NI as a great place to both live and work and further promote it's economy as a competitive and world class base for global business.
 - And the Executive will need to continue to invest in the skills pipeline to provide an upskilled workforce to help Northern Ireland realise its full economic potential.

If required:

- The UK Government is continuing to support Northern Ireland through a combination of UK-wide support and additional Barnett consequentials to be spent by the Executive. A guaranteed £2.4bn has been made available to support people and businesses in Northern Ireland through the Covid-19 crisis.

Background

In many countries globally there is extensive evidence of a collapse in economic activity, as a result of infection prevention measures introduced in response to COVID-19. For BIC MAs, there have been large economic contractions, exacerbated social inequalities and varied sectoral impacts as a result of such measures. There is an expectation that the impact on unemployment has not yet been fully realised, and that the end of the Transition period leaves the economic outlook for the end of 2020 and beyond uncertain.

The paper on Economic Recovery from COVID invites the Council to:

- Welcome the report and acknowledge work to date
- Recognise that the economic crisis also has social impacts, which could result in long-lasting impacts, if action is not taken
- Note coherence across BIC MAs in their vision for recovery, including green recovery, improving community spaces and prioritising wellbeing
- Consider opportunities for learning, including jobs-led recovery, sustainable recovery and digitally enabled service provision
- Consider examples of where BIC work sectors have already initiated work to address the economic impact and recovery from COVID-19

- Consider the role of BIC in providing advice on social inclusion, in light of exacerbated existing inequalities.

The paper sets out some of the common approaches taken across MAs to protect jobs and businesses; and the common vision to ‘build back better’, recognizing the need for a sustainable, fairer and more resilient economies which focus on economic and societal wellbeing and longevity of life.

The protection and creation of jobs is a key priority of all Member Administrations. All Member Administrations have committed to accelerating plans to deliver a greener economy. And all MAs are aware of the need to restore business and consumer confidence; and to accelerate investment, particularly in sustainable infrastructure.

MAs have identified some emerging opportunities for economic recovery, including the sharp pivot towards the digital economy and ‘the socio-economic integration of communities’.

It has been outlined that the economic response must keep pace with the public health response, and it is becoming increasingly important that MAs have the fiscal and financial levers to support public health measures. While MAs have identified the need for stimulus packages that focus on redefining industrial policy and building sustainable infrastructure, MAs have also identified the need to invest in other societal ‘building block’ systems, to improve resilience and prevent exposure to future shocks.

MAs have highlighted a commitment to working collaboratively as part of the response to the pandemic. This includes working collaboratively across national and regional governments, by way of the Wellbeing Economy Government (WEGo) network; and responding to the pandemic in a collaborative and localised way with businesses, social enterprises and other organisations.

The paper also notes the disparity in the risks and outcomes of COVID-19 and that these fall more severely on those who are most vulnerable and marginalised. K

NI Executive Response

The NI Executive has not provided a written update on its priorities for economic recovery to the Council. However, to date the Executive’s response has come primarily in the form of financial support for jobs and businesses.

The Department for the Economy published the ‘Rebuilding a Stronger Economy’ in June 2020, a medium term plan for economy recovery over the following 12-18 months. The plan focused on adapting through the challenges of COVID-19 and EU Exit, and set out a framework for higher paying jobs; a highly skilled and agile workforce; and a more regionally balanced economy.

We expect the Executive's recovery plans to increasingly focus on health and wellbeing; the economy; skills; the public sector; and the natural and built environment.

Last week, the Executive allocated £687 million Covid funding. Of this, £500 million is funding for health services, £100 million for a centrally held fund to be released over the coming weeks and months, with the majority of the remaining funds allocated to education and sectors that have lost revenue as a result of the pandemic.

Irish Government Response

The Irish Government has most recently responded to the pandemic with the July Jobs Stimulus measures, and a Budget on 13 October. This will be followed by a new National Economic Plan and a review of the National Development Plan.

The July Jobs Stimulus prioritised job support and creation; support for the unemployed; enhanced grant to build confidence in consumers and communities; investment in communities and jobs; and preparing for a different type of economy, with funds for life sciences, green enterprise and Brexit support for SMEs.

The National Economic Plan will look to build resilience, particularly in the labour market. The Government's key objective will be economically, socially and environmentally sustainable growth.

UK Government Response

As you are aware, UKG has put in place one of the largest and most comprehensive economic responses in the world, supporting more than 11 million people and over a million businesses.

Around one in four jobs in Northern Ireland has been protected by the UK Government's unprecedented employment support package over 327,000 total. Loans and support worth more than £1 billion have been given to more than 25,000 firms in Northern Ireland since the outbreak.

UKG's priority is for a jobs-led and green recovery that will protect, support and create jobs across the UK and increase the UK's resilience to the threats climate change poses to prosperity, security, biodiversity and public health.

UK Government Response in Northern Ireland

In total, UKG has allocated an additional £2.4bn in spending to Northern Ireland since the Spring Budget in March to support its Covid-19 response. In addition, Northern Ireland has benefited from UK wide schemes such as the Coronavirus Job Retention Scheme and Self Employed Income Support Scheme.

Key Agenda Item 2 - Political Update

Steer

4. Each member administration will be invited to provide a short update on recent political developments within their respective nations. CDL will lead the UK Government's response to this item and will invite you to provide a brief update on political developments in Northern Ireland.

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6. CDL will call on SOS Scotland for an update, who will then hand over to you. The secretariat has advised each MA's update is likely to be capped to 1-2 mins per speaker and as such you may wish to focus on some of the key live topics such as Covid NI update:

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Suggested Lines to Take

- Since the start of the pandemic, we have worked closely with the Executive and the Irish Government to coordinate the response to Covid-19. There is a shared determination to work together to ensure that measures safeguard the health and wellbeing of UK and Irish citizens.
- To achieve a joint approach, we have facilitated regular conversations between Ministers and officials from the UK and Irish governments and from the Northern Ireland Executive.

Irrelevant & Sensitive

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Lines to take on Centenary - (only if required)

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