Statement by Ms. Helen McEntee T.D.,
Minister of State for European Affairs, to the
Joint Oireachtas Committee on European Union Affairs
Wednesday, 20 February 2019

Chairman,

I am delighted to be here again today to update the Committee on developments. As usual, it has been a busy time since I was last here with you in December, not least in relation to Brexit. Yesterday, I attended the General Affairs Council. At the meeting, we focused on the MFF, preparations for the March European Council and the Commission proposal “Towards a Sustainable Europe by 2030”. Ministers also discussed on the Rule of Law in Poland and Values of the Union in Hungary.

With your permission, Chairman, I propose to focus on four headline issues. They are –

- Our preparedness and contingency plans for Brexit;
- The next Multiannual Financial Framework;
- An update on the other issues discussed during yesterday’s meeting of the General Affairs Council
- Finally, I will give the Committee an overview of the work Ireland is undertaking on building alliances across the EU

**Brexit**

Mr. Chairman,

Let me update the Committee on Brexit.

A no deal Brexit would be highly disruptive and would have profound political, economic and legal implications, most seriously for the UK, but also for Ireland and the rest of the EU. In light of the ongoing political uncertainties in the UK and the
The Brexit deadline of 29 March, the Government agreed that greater priority should be given immediately to preparations for a no deal Brexit.

Since then, the Government published its Brexit Contingency Action Plan on 19 December, setting out detailed sectoral analyses and approaches to mitigating the impact of a no deal Brexit. The plan is designed to be consistent with and complementary to the approach being taken at EU27 level to prepare for the UK’s withdrawal.

The legislative provisions envisaged in that Plan are due to be published this Friday and will be introduced in the Dáil next week.

I will now focus on the non-legislative preparedness measures being taken. To ensure that East-West trade continues as smoothly as possible, we are developing the additional physical infrastructure needed at our ports and airports. At Dublin and Rosslare Ports, sites suitable for temporary infrastructure have been identified and refurbishment work has begun. Space for truck parking is being secured in both locations. At the same time, plans are advanced for the development of permanent infrastructure in both ports. At Dublin Airport, existing facilities can cater for the volumes of traffic involved in the event of a no deal Brexit.

Revenue will have 400 additional customs staff trained and in place by the end of March and they can recruit an additional 200 by the end of this year. The Department of Agriculture, Food and the Marine is implementing the necessary steps to facilitate more Sanitary and Phytosanitary (SPS) controls. Veterinary personnel and 70 other support staff are now being recruited to implement animal and health (SPS) checks, as are 61 extra Environmental Health Staff.

In Budgets 2017, 2018 and 2019, the Government put in place a supports to help businesses prepare for Brexit. These include a €300 million Future Growth Loan Scheme and a separate €300 million Brexit Loan Scheme for Business.

Ireland is also preparing for Brexit as part of the EU27 and with the full support of the European Commission. Many of the actions aimed at mitigating the effects of a no deal outcome will be taken at EU level, as they involve sectors regulated by EU law.
The European Commission published a contingency action plan in November and a communication on contingency in December. These contained guidance on planning for Brexit and outlined their approach in key areas. The EU has also published over 80 Brexit Preparedness notices.

The Commission’s contingency action plan emphasises that it stands ready to engage with the Member States that will be most affected by a no deal withdrawal and states that “the Commission will support Ireland in finding solutions addressing the specific challenges of Irish businesses”.

The EU has agreed to facilitate basic connectivity in air transport and road haulage between the UK and the EU on an interim basis in a no deal scenario, and the Government continues to engage in intensive discussions with the European Commission and with EU partners.

MFF

Chairman,

The European Council had its first substantive discussion of the MFF proposal in December, following a number of policy discussions by the General Affairs Council in the autumn. The ground was well prepared by the Austrian Presidency which presented a draft “Negotiating Box”. This document outlines the key issues that will require political decisions. We welcomed that work as balanced and fair and see it as the basis for ongoing work in the Council. The Heads of State and Government also said that the Council should aim to reach agreement on the MFF in the autumn of this year.

As Council President Tusk has highlighted, there is still a lot of work to be done to reach a common position. Each Member State has its own priorities, as does the European Parliament, which is also part of the negotiating geometry. Negotiations on the MFF are always difficult, but these negotiations have an added complexity due to the uncertainties surrounding Brexit. The European Parliament election will also have
an impact. Hence the likelihood is that agreement will not be reached in Council until the latter half of 2019.

Since December, the General Affairs Council has had two discussions on the subject, the latest just yesterday in Brussels. Yesterday, the Romanian Presidency presented Ministers with a State of Play report including a work programme for the months ahead. The Presidency will focus now on narrowing down the range of options contained in the “Negotiating Box” and their aim is to have a revised Negotiating Box prepared ahead of the June European Council. It is expected that the General Affairs Council will hold a series of thematic discussions in the meantime to provide the Presidency with political guidance on some of the cross-cutting aspects of the budget. Work is also underway on agreeing the sectoral programmes which the new budget will fund, either at Council level or in some cases in trilogue with the European Parliament, while that is still possible. Consideration of the proposed EuroArea budget is also underway.

The Irish position has not changed since I last addressed the Committee. As the Taoiseach emphasised at the December European Council, we want a well-funded Common Agricultural Policy. The Taoiseach also underlined the need to protect the Structural and Cohesion Funds for countries in Central and Eastern Europe and the Mediterranean. Ireland, as we know, benefited enormously from the investment in our infrastructure that was made possible by these funds.

In the current climate, we need to ensure continued funding for the INTERREG and PEACE programmes, which are particularly important for Northern Ireland and the Border region. It is essential that we continue to fund other Programmes that work well such as Erasmus Plus, which is particularly valuable to young people. Another example is Horizon Europe, which will support the necessary investment in research and development to create the jobs of the future.

**Update on other issues on the GAC agenda**

I will now mention the other topics discussed at the meeting yesterday.
Ministers discussed the agenda for next month’s European Council. The March meeting will discuss climate change, by providing guidance on the overall direction of an EU long-term strategy to be submitted under the Paris Agreement. They will also prepare for the EU-China Summit which will take place in April. In preparation for the next EU Strategic Agenda, the March Council will focus on jobs, growth and competitiveness. We welcome the inclusion of this topic on the European Council agenda and we are looking forward to a substantive discussion at the meeting.

Ireland has consistently been a strong supporter of the Single Market, of removing restrictions to trade in goods and services within the EU, and, in particular, of the need to make greater progress on Services in the Single Market. This is essential for the competitiveness of all Member States, and for Europe to remain competitive with other global trading blocs. Ireland, and four other Member States, commissioned an analysis of the potential economic benefits of greater liberalisation of the cross-border provision of services in the EU Single Market. The findings of the Copenhagen Economics report – “Making EU Trade in Services Work for All” - clearly show how the strength of the Single Market is linked inextricably with Europe’s competitiveness on the world stage and with European prosperity.

My colleagues and I also exchanged views yesterday on the Commission’s reflection paper, ‘Towards a Sustainable Europe by 2030”. The paper outlines how EU policy is contributing towards achieving the SDGs and where further action is required. Ireland welcomes the reflection paper as another confirmation of the EU’s ongoing commitment to achieving the Sustainable Development Goals. In particular, we support the paper’s reaffirmation that sustainable development is deeply rooted in the European project. Many Member States, including Ireland, have already adopted national SDG implementation strategies. The EU’s focus should now be on ambitious practical implementation.

**Rule of Law/Values of the Union**

Finally, two important topics have been preoccupying the General Affairs Council - namely the Rule of Law in Poland and Values of the Union in Hungary. The GAC
held five hearings on Poland last year and the Romanian Presidency updated Ministers on the issue yesterday.

As the Committee will be aware, the central issue is the rule of law and its application there. In October, the European Court of Justice (ECJ) issued an interim ruling, ordering Poland to adopt measures to temporarily suspend the application of Polish legislation which had lowered the retirement age for sitting and future judges. Poland has since adopted legislation to amend the Supreme Court law and enable the return to work of judges forced to retire. This move was in response to the interim ruling and a final judgement, from the European Court, is due within the next few months.

Chairman, ours is a Union based on shared values, including democracy, human rights and the rule of law and Ireland has consistently supported the Commission in this matter. In my intervention yesterday, I urged Poland to continue its engagement with the Commission on concerns that have been aired. The Presidency concluded that the Council will remain seized of the issue.

The Presidency also updated Ministers on Hungary yesterday. As you know the Parliament referred an opinion on the values of the European Union to the Council, following the adoption of the Sargentini report. The Commission has since prepared a paper on the values-related infringement procedures that it has taken to address concerns about the situation in Hungary. Ireland has previously made its concerns known in relation to issues surrounding the rule of law generally and recent legislation targeting non-governmental actors in Hungary. Several Member States, including Ireland, expressed concerns yesterday about the current situation in Hungary and the Presidency promised to return to the issue in due course. At this time of many challenges facing the Union, it is more important than ever that we stand by our shared values.
**Alliance Building to strengthen the EU**

Lastly, I would like to say a word on alliance building. Ireland has always been an outward looking country and recognised that our influence grows through cooperation with others.

As we were reminded during the Dáil 100 celebrations, one of the first acts of the Dáil was to send a message to the free nations of the world to ask for their support in our search for independence.

The presence of so many of our friends and EU partners at the anniversary celebrations and the remarkable solidarity we have experienced throughout the Brexit negotiations is a testament to Ireland’s message being heard and to our place at the heart of Europe.

Solidarity is built on understanding, shared perspectives and reciprocity.

It is a priority for us to thank our European partners for the solidarity they have shown to us, but it is also essential that we understand their perspectives on the full range of issues we face in our shared union and to discuss our priorities for the future.

To do this, we have strategically increased the range and intensity of our contacts with other Member States and the EU institutions. We have intensified our political and official level engagement, strengthened our diplomatic presence and undertaken joint initiatives to help to shape the EU agenda in a way that best reflects the interests of the Irish people.

The Taoiseach, the Tánaiste and I have stepped up bilateral engagement with our European counterparts. Last year, I managed to visit nine other EU capitals, as well as the European Parliament in Strasbourg and I am looking forward to meeting my Latvian and Lithuanian counterparts in Riga and Vilnius later this month. The Government’s ambitious programme of visits for St Patrick’s Day will serve as a platform to underline Ireland’s commitment to and membership of the European Union. Ministers will visit all 27 European capitals over the St Patrick’s Day period.
Extra personnel have been added to key missions and more will follow in this summer’s rotation. A Consulate General will open in Cardiff shortly and, on foot of a root and branch review of our relations with Germany, a new Consulate will open in Frankfurt in the autumn. The Ambassador in Paris is due to make proposals to the Tánaiste in April as part of a wider review of our excellent relations with France.

I also want to recognise the very important role that this Committee plays in strengthening our engagement with both current and prospective Member States. I am heartened to see this reflected in your work programme for the coming year. I thank you for your efforts.

I would like to thank you for the invitation to address the Committee and for your attention this afternoon. I am happy, Chairman, to take any questions the Committee may have.