The Wexford People

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Clarity sought on crss-border checks for trucks leaving Rosslare Europort

The issue of border checks on trucks arriving in the UK from Rosslare Europort which plan to travel onwards to another country within the EU was raised in the Dáil by Fianna Fáil Deputy James Browne.

"Two thirds of our exports to the Continent, comprising three million tonnes or €100 billion worth of trade in 150,000 trucks per year, go over the landbridge," he said. "The UK exit from the EU will obviously complicate that."

Rosslare Europort is owned by the Fishguard and Rosslare Railways and Harbours Company, established in 1898 under a UK statutory instrument, he said. "Its future is effectively controlled by the UK Government, which could dissolve that company in the morning if it wanted to. It might like the idea of having a port still in the EU after Brexit."

In response, Tánaiste and Minister for Trade Simon Coveney said retaining the effective use of the landbridge post Brexit has been discussed at both political and official level with the UK and the EU. As a result of these contacts, the importance of maintaining the landbridge had been recognised through the protocol on Ireland and Northern Ireland in the draft Withdrawal Agreement. "This reaffirms the commitment of the UK to facilitate the efficient and timely transit through the UK of goods moving from Ireland to another EU member state or another country, or *vice versa*," he said. "To this end, I welcome the EU's agreement that the UK may join the Common Transit Convention upon its departure from the EU and that a number of the formal steps to allow this to happen have been completed. The UK's accession to the Common Transit Convention will play an important role in ensuring Ireland's access to other EU member states via the UK landbridge."

He said the Common Transit Convention effectively means that if one seals a container in Dublin and it is going to France, Belgium or the Netherlands, it should be able to be transported across the British landbridge and back into the Single Market without being checked. While it may have to be scanned while passing through, the goods should not have to be checked. "That is what we are trying to achieve in order that Irish trucks will not be treated as coming from a third country outside the EU and re-entering the Single Market," he said.

Clarity sought on fallout from cost of new €1.73bn children's hospital

Detail of the projects that will not be advanced this year to meet the requirements of reducing other projects to the tune of €100 million because of the overrun in the cost of the new children's hospital were sought in the Dáil by the Labour Party leader Brendan Howlin.

"On the Cabinet decision to approve the children's hospital, what specific sum was approved by the Cabinet and did that decision involve an absolute commitment that it was the final figure and that there would be no overruns beyond that?" he asked.

In reply, Taoiseach Leo Varadkar said the re-profiling of the €100m has not been done yet but he believed it will be achieved by deferrals of weeks or months and will not require the outright cancellation of any projects.

“Savings may arise for reasons outside our control, such as other projects being deferred, not as a result of any Government decision but because of planning issues, judicial reviews and so on,” he said. “I appreciate that it is causing anxiety and that many people feel the projects they are interested in are being delayed as a consequence of overruns relating to the national children's hospital. That is not the case and we will try to clarify that as soon as possible.”

“When people use the figure of €1.73 billion, they are including expenditure that would have arisen even if the new hospital had never been built,” he added. “They are including VAT and costs at the Mater incurred by a previous Government in respect of a hospital that was never built.”

New VAT rate of 23 per cent to apply to food supplements

New Revenue guidance concerning the rate of VAT that applies to food supplements, will apply the 23% VAT rate instead of zero rate to most food supplements with effect from 1 March 2019, Minister of State Michael D’Arcy told the Dáil.

However, he said it should be noted that human oral medicines, including certain folic acid and other vitamin and mineral products licensed by the Health Products Regulatory Association (HPRA), will continue to apply at the zero rate of VAT. It was possible to retain these products at the zero rate because they qualify as oral medicines, which are charged to VAT at the zero rate in Ireland under an historical derogation to EU VAT law, he said.

The Minister of State was replying to Opposition deputies who said the increase on VAT on food supplements to 23% was shocking for huge numbers of people who need and rely on food supplements and vitamins.

“The operation of the current concession has become problematic because of the efforts by some in the industry to exploit the concession to extend the zero rating beyond the scope permitted by Revenue,” he said. “Some businesses had challenged Revenue guidance and Revenue decisions on the VAT rating of products, giving rise to concerns about compliance within the industry and unfair competition between compliant and non-compliant businesses.”