

DÁIL ÉIREANN

AN COMHCHOISTE UM GHNÓTHAÍ AN AONTAIS EORPAIGH

JOINT COMMITTEE ON EUROPEAN UNION AFFAIRS

Dé Céadaoin, 20 Feabhra 2019

Wednesday, 20 February 2019

The Joint Committee met at 2 p.m.

MEMBERS PRESENT:

Deputy Bernard J. Durkan,	Senator Paul Coghlan,
Deputy Seán Haughey,	Senator Gerard P. Craughwell,
Deputy Mattie McGrath,	Senator Terry Leyden,
Deputy Frank O'Rourke,	Senator Neale Richmond.

DEPUTY MICHAEL HEALY-RAE IN THE CHAIR.

General Affairs Council: Minister of State at the Department of Foreign Affairs

Chairman: I remind members to ensure their mobile phones are switched off. Today we have an engagement with the Minister of State, Deputy McEntee, on the work of the General Affairs Council, GAC. I welcome her back to our committee. We will discuss her work on the General Affairs Council, as well as Brexit preparedness and contingency plans and alliance building within the European Union. It is important for us as the Joint Committee on European Union Affairs to ensure that Ireland and the EU are as prepared as possible for what is about to happen. At the same time as facing challenges that now look very immediate, we must also look beyond the immediate horizon and continue to work to strengthen the EU, and how it works. I refer, in particular, to how we are going to work after the next month or so.

I would normally read out the usual reminder concerning the rules on privilege, but as the Minister of State is familiar with them, I just remind everybody of their application. I call the Minister of State to make her opening statement and thank her, her staff and all the people who work with her for the Trojan efforts they are all making. That is particularly the case in the last couple of months. Much work has been done. I know the Minister of State has undertaken much travel and that is very difficult at times. On behalf of all the members of the committee, we appreciate the work she is doing at this stressful time.

Minister of State at the Department of Foreign Affairs and Trade (Deputy Helen McEntee): I thank the Chair. I would not like my constituents to think I am travelling too much. Travel, however, has definitely increased at the moment. I am delighted to be here again to update the committee on developments. As usual, it has been a very busy time since I was last with the committee in December, not least regarding Brexit. I attended the General Affairs Council yesterday where our focus was primarily on the multi-annual financial framework, MFF, preparations for the March European Council and the Commission proposal, Towards a Sustainable Europe by 2030. Ministers also discussed the rule of law in Poland and values of the Union in Hungary.

With the Chair's permission, I propose to focus on four headline issues. They are our preparedness and contingency plans for Brexit, the next multi-annual financial framework, an update on the other issues discussed during yesterday's meeting of the General Affairs Council and, finally, I will give the committee an overview of the work Ireland is undertaking on building alliances across the EU. I know that the committee is focused on and committed to that as well.

I will first 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 Brexit deadline of 29 March, just a few short weeks away, the Government agreed 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. This sets out in detail 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 an EU 27 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 east-west trade continues as smoothly as possible. We are, of course, 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 already 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. An additional 200 staff can also be recruited 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 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 EU 27 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 an EU level, as they involve sectors regulated by EU law. The European Commission published its contingency action plan in November and a communication on contingency in December. These contained guidance on planning for Brexit but also outlined approaches in key areas. The EU has also published more than 80 Brexit preparedness notices. The Commission's contingency action plan emphasises that it stands ready to engage with the member states most affected by a no-deal withdrawal. It also 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. The Government continues to engage in intensive discussions with the European Commission and with our EU partners. My colleague, the Tánaiste and Minister for Foreign Affairs and Trade, Deputy Coveney, had a detailed discussion with and answered questions in the Joint Committee on Foreign Affairs and Trade, and Defence last week.

Regarding the MFF, the European Council had its first substantive discussion of that proposal in December, following a number of policy discussions by the General Affairs Council, which I attend, in the autumn. The ground was well prepared by the Austrian Presidency which presented a draft "negotiating box". This document essentially outlines the key issues ultimately requiring political decisions. We welcomed that work as balanced and fair and we see it as the basis for ongoing work in the European Council. We have, however, stressed that we do not feel the balance is quite right yet. The Heads of State and Government also said that the European Council should aim to reach agreement on the MFF in the autumn of this year. We agree with that proposal.

As the European Council President, Mr. Tusk, has highlighted, there is still much 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 elections will also have an impact. The likelihood, therefore, is that agreement will not be reached in European 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. The Romanian Presidency presented Ministers with a state of play report, which includes 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 its 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. We have suggested some on climate change and migration, as well as contingency and others. Work is also under way on agreeing the sectoral programmes which the new budget will fund, either at European Council level or, in some cases, in trilogue with the European Parliament, while that is still possible. Consideration of the proposed euro area budget is also under way. The Irish position has not changed since I last addressed the committee. As the Taoiseach emphasised at the December EU Council, we want a well-funded Common Agricultural Policy, CAP. 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, benefitted enormously from these funds and the investment in our infrastructure that was made possible by them.

In the current climate we need to ensure continued funding for the INTERREG and PEACE programmes, which are integral to the Good Friday Agreement and the peace process and particularly important to Northern Ireland and the Border region. It is essential that we continue to fund other programmes that work, such as ERASMUS+, which is particularly valuable to young people. Another example is Horizon Europe, formerly Horizon 2020, which will support the investment in research and development necessary to create the jobs of the future.

In regard to the overall General Affairs Council, GAC, agenda I will now mention the other topics discussed at the meeting yesterday. We discussed the agenda for next month’s European Council. The March meeting will discuss climate change, providing guidance on the overall direction of a long-term EU strategy to be submitted under the Paris Agreement. We 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 as always 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 and of removing restrictions to trade in goods and services within the EU. In particular, as I emphasised yesterday, we have stressed 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 a recent report by Copenhagen Economics, entitled Making EU Trade in Services Work for All. It clearly shows that 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 sustainable development goals and where further action is required. Ireland welcomes the paper as another confirmation of the EU’s ongoing commitment to achieving the sustainable development goals. The discussions made clear our hope that it would bring a renewed sense of urgency. The goals were first agreed more than three years ago. In particular,

we support the paper's reaffirmation that sustainable development is deeply rooted in the European project. As I repeated to the Commissioner yesterday, many member states, including Ireland, have their own national implementation strategies. The EU's focus should now be on ambitious practical implementation, not general discussion within the European Union.

Finally, two important topics have been preoccupying the General Affairs Council, namely, the rule of law in Poland and the values of the EU in Hungary. The GAC held five hearings on Poland last year and the Romanian Presidency updated Ministers on those issues 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 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 law affecting its Supreme Court and enable the return to work of judges forced to retire. This move was in response to the interim ruling. A final judgment from the European Court of Justice is due within the next few months.

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 while acknowledging the importance of the work Poland has done to date. I also acknowledged the fact that Commission Vice-President Timmermans has raised further concerns about which we had not previously heard. We urge the Polish Government to continue to engage. The Presidency concluded that the EU Council will remain seized of the issue.

The Presidency also updated Ministers on Hungary yesterday. As the committee will 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 undertaken 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, particularly 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, when we are facing many challenges within the European Union, it is more important than ever that we stand by our shared values. Moreover, a new development was raised by the Commissioner yesterday concerning a Government-funded campaign in Hungary specifically targeting Mr. George Soros and the President of the Commission, Mr. Jean-Claude Juncker. This is a worrying new development. Obviously these issues need to be dealt with on the basis of mutual respect, and I hope we will be able to discuss them again at a later date.

Finally, I would like to comment on alliance-building and strengthening the EU. Ireland has always been an outward-looking country and recognised that our influence grows through co-operation 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 engagement at political and official level, 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, along with my general affairs visits and other Council meetings I managed to visit nine other EU capitals as well as the European Parliament in Strasbourg. I look 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 of Ireland will open in Cardiff shortly and a new Irish Consulate will open in Frankfurt in the autumn on foot of a root-and-branch review of our relations with Germany. The Irish ambassador in Paris is due to make proposals to the Tánaiste and myself 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 its work programme for the coming year. I thank members for their efforts. I would like to thank the committee for the invitation to speak here. I thank the Chairman and his team for the work that they do and I look forward to any questions from the Deputies and Senators.

Chairman: I thank the Minister of State and remind the committee members that I have assured her that she will be out of here at 2.55 p.m., as she has to take Priority Questions in the Dáil. We will try our best to stick to that.

Senator Neale Richmond: I thank the Chairman. I will try to make the 45 minutes he has allowed solely to me to suffice.

Chairman: I hope it will be enough for the Senator.

Senator Neale Richmond: I will try to keep my remarks to specific questions with minimal commentary. In regard to the multi-annual financial framework I would like to raise the timelines the Minister of State has laid out for Council adoption. Is this in order or is it a little bit shorter than it usually is due to obvious concerns facing the Union at the moment? What are the timelines laid out for the European Parliament's involvement in this process? I am delighted to see the Government putting so much emphasis on maintaining funding for ERASMUS+ and Horizon 2020. My main concern is that this must be accompanied domestically by encouragement and emphasis to make sure people are taking up those programmes. I am strongly of the belief that we are not taking up as many opportunities to send young people abroad through ERASMUS+ as possible. We need to maximise our opportunities to work with other partners through Horizon 2020, particularly with the UK leaving.

The rule of law is an issue I am extremely worried about. I know we have shared many discussions about it. I note the actions that have been taken and the ongoing work, particularly in Poland. However, the concerns I have relate to Hungary. What are the sanctions? I know what the European Court of Justice can do and the rules on which the Council can insist. If they are not adopted, what are the sanctions for a member state that continuously flouts the values of the European Union?

Alliances are particularly vital, especially when it comes to the multi-annual financial framework and other challenges connected to that, such as the renegotiation of the CAP and the possibility of new measures concerning taxation. That is something we need to double down on. We need to build our multiple layered alliances, not only with one or two countries, be it the Hanseatic alliance or anything else. We really need to increase it.

I am delighted to hear we are opening a consulate in Frankfurt. I met the Irish ambassador in Paris. I strongly believe we also need a consulate somewhere in the south of France. It is such a big country and it is vitally important to our future diplomatic efforts within Europe. Overall, the amount we invested in terms of people, money and resources in our embassies across the EU has shown in recent years how good an investment that has been. It is time we doubled down on that investment. We need to strengthen our diplomatic footprint, not only around the world. I am enthused that we are opening embassies in Chile, a consulate in Vancouver and so on but we have to look after Europe first. There is great scope for us to increase that.

Within that outreach, was there any discussions at the General Affairs Council on the Minister of State's work in the eastern Balkans? I am considering future partners and potential future members, particularly in terms of the events as they relate to the area that is now officially North Macedonia and everything that is going on there.

It is hard not to mention the "B" word but we are 37 days away from it and the situation is becoming increasingly worryingly. I appreciate the Minister of State's comments on our preparedness in terms of the legislation. I was at the committee meeting, along with others, last Thursday when we got a good briefing from Tánaiste. I look forward to welcoming him to the Seanad Chamber before to St. Patrick's Day but hopefully we will not get to that point. I hope I will not have to welcome him to the Chamber but I will if needs be. What were the discussions in terms of comparisons at the GAC meeting yesterday? I know the French and the Dutch have taken a very different approach from the Irish in allowing Ministers far more direct powers to prepare for a no-deal scenario. What was the Commission's opinion on the work that has been done domestically by the Irish Government on our preparedness for it? Also, will the Minister of State outline the mood at the GAC meeting? What are the thoughts of our 26 partners in the European member states on the unfolding disaster we see in Westminster at present? Is the solidarity with Ireland still strong? I have no doubt it is but it is very important we relay that and that we continuously stress we are a European Union of 27 member states which are sticking together right until the last minute despite the concerns or outlandish desires of certain people in our commentariat?

Senator Gerard P. Craughwell: I agree with much of what my colleague has said, but I would like to bring the focus back home. In 2016, the day after the referendum, I wrote an article on the re-establishment of a Border on this island. At the time, it was scoffed at by many as an impossibility. It is not quite so impossible now. I would like to know what steps has the Government taken to bring back the corporate knowledge we have lost since roughly 1998 to 1999, in particular to bring back customs people who worked the Border at that time and understand it in terms of training some of those 400 people who are coming forward? We have closed Garda stations over the years and there is no Defence Forces location anywhere between Donegal and Dundalk. In terms of Cavan and Monaghan, are we carrying out reconnaissance to find locations where soldiers can be accommodated in the event of a Border being put in place?

Language is everything when we are talking about the future of our relationship with Northern Ireland. I deeply resent the term "hard border". There was never a hard border on the island of Ireland, not since the foundation of the State. There has been a highly militarised Border and

a Border that was managed with checkpoints but here was never a hard border on this island. When we talk about a hard border going forward, are we considering putting in place a hard border which means, to use a “Trumpism”, building the wall? I do not see that happening. I see us going back to the type of Border we had which was a managed Border which will require physical presence at approved crossings. Once we put a physical present in place, it will require personnel from An Garda Síochána and Defence Forces. Has that even been war-gamed at this stage? Have we any idea where we stand there?

The next issue is that of funding. My colleague, Senator Richmond, mentioned it to a certain degree. We had two groups before the Joint Committee on the Implementation of the Good Friday Agreement last week and they are particularly concerned about the mismatch of funding that will take place in a post-Brexit scenario, even if it is a soft Brexit. We expect we will still have European money coming to the Southern counties through the various programmes in place but what steps are being taken to guarantee that the British will match pound per euro to ensure we have funding on the Northern side.

In terms of the other issues that have arisen, much play is made about the unity of Europe and how we are all in this together but as one famous investor, George Soros, put it, Europe is likely to catastrophically collapse in a situation worse than the Soviet Union. He points to the various things that are happening around Europe, including the yellow vest protests in France, the right wing in Italy, and deviance within the systems in Poland and Hungary. How sure are we that the solidarity we talk about will remain in place in the event of a crash out?

I will make two final points the first of which is on the issue of a Border poll. Those who advocate for a Border poll are not here, which is a pity, because I would like to see that this issue is firmly eliminated from the discussion by the Government. We want communities in Northern Ireland to live together in harmony and to trade and work with people in the South of Ireland. A Border poll is a long way away.

My final point is that Senator Richmond’s committee has set up a number of meetings in the North of Ireland in early March. Wisely, he has included civic groups from the unionist and nationalist communities. I have spoken to Senator Richmond on that. There is a growing civic voice in the North of Ireland that is neither nationalist nor unionist. They are the ordinary citizens who are concerned for their future, regardless of whichever way it goes, whether there is a crash out Brexit or a hard Brexit. They need and want a voice. Has our Government considered a way we might give them a voice to ensure their concerns can be raised, first across Ireland and, second, across Europe? Sadly, the voice from Northern Ireland we are hearing down here is that of one side only, which does not necessarily reflect the feeling on the ground. I thank the Chairman. I am sorry if I went on a bit.

Chairman: I thank the Senator. I also want to welcome everybody in the Public Gallery. I thank Deputy McConalogue and his guests for being here today. I call Deputy Durkan.

Deputy Bernard J. Durkan: I thank the Minister of State for coming to the committee again and being forthright in the information made available to us. I will make two or three brief points. I refer to direct access to the Continent post-Brexit from the point of view of Irish exporters by way of Rosslare or other ports. Questions have been raised as to whether that might not be easy to do. I do not see any logistical reason that cannot happen. Do we have sufficient investment provisions put in place to ensure that Irish hauliers can get directly to the Continent as quickly as possible, thus bypassing the need to cross over into the UK, with the obvious delays that might occur?

On the €300 million future growth loan scheme, to what extent has that been accessed or is it being accessed by the various businesses throughout the country? Is it working, or will it work, satisfactory? Has sufficient evidence been gleaned at this stage to determine that?

It is important that we recognise the Common Agricultural Policy, CAP. There has been a sort of revision in recent times to the effect that agricultural production should be scaled down to meet other requirements and so on. I believe it is possible to maintain both agricultural production and meeting carbon reduction requirements without damaging the agricultural sector. I emphasise that there are thousands of people all over the globe, including children, who are dying of starvation. We must recognise that we have to be realistic. We have to ensure sufficient food is produced in order that we can make our contribution towards alleviating the ongoing threat of starvation.

Senator Craughwell needs to be careful about making provision for the creation of a border. We need to be careful that we do not create one. The position we have been forced into is one where, by virtue of its diplomatic provisions, the United Kingdom is effectively abolishing the Good Friday Agreement and all that it has stood for, which is extraordinary. It is a solemn agreement that was written and acceded to by several countries, including Canada and the United States of America, as well as by the European Union and others who made major contributions. All of this is to be set aside to follow a particular political path that nobody seems to understand. It saddens me that as eminent and powerful a body as the United Kingdom sees fit to set aside a solemn agreement of the nature of the Good Friday Agreement. Effectively, this is what is being attempted. Is it being reminded of the seriousness of the issue? It will have serious consequences for Europe and, particularly, Ireland, North and South. We need to be absolutely certain that we will not do that work for it by saying this is inevitable; we must not do it. The fact is that it decided what it wanted to do and it is pursuing it. Of course, it has other options. Far be it from me to try to tell our neighbours what they should do, but they could go back and hold another referendum. They say they cannot and will not do so, that the referendum result is sacrosanct, but it is as sacrosanct as everything else when it comes to negotiations. They could do so, but of what are they afraid? Are they afraid the result might be in the opposite direction? I am certainly of that opinion. It is so sad and worrying at this stage of our development to see a major European player such as the United Kingdom continuing in this direction, notwithstanding the indications of concern from the businesses and investment sectors. Some companies are moving out, while others are expressing their deep concerns at the potential disastrous consequences.

My last point relates to the European Union's cohesiveness. We welcome and thank our EU colleagues for their solid support. Without it there would be no sense in having any discussion at all and there would be no European Union either. If it starts to fragment or one brick is out of the wall, we must remember that its concept was thought of when Europe lay in flames and ashes. It was constructed in such a way to ensure we would not suffer the starvation of the past and as a result of member states deciding to take offence at each other and wage a war. The concept was well thought out by people who had forged their opinions from the very harsh reality of the experience from 1939 to 1945, one that should never be revisited. Everything possible needs to be done to ensure that will not happen. There are those who will dismiss all of these possibilities and say, "Not at all; that is never likely to happen again," but they are wrong. Man's inhumanity to man will continue forever. It has never been known to have been surpassed, until the next time when it gets worse.

Ireland has a role to play in what lies ahead. We have done well by our EU colleagues and

I believe they have done well by us in recent times. It remains to be seen what will prevail hereinafter.

Senator Terry Leyden: I welcome the Minister of State, Deputy McEntee, and her staff, as well as the ambassador and the embassy staff. I commend the embassies on always having members here to listen to contributions.

I disagree with Deputy Durkan on the Good Friday Agreement. From our discussions, it stands, irrespective of the United Kingdom's exit from the European Union. All of the institutions under it - the British-Irish Parliamentary Assembly and the Northern Ireland Assembly - will continue post-Brexit. That is a fact. It is an international agreement which was signed and registered with the United Nations. Under it, we will and must continue to develop and expand our relationship with our nearest neighbour, the United Kingdom. As the Minister of State mentioned, we can do this through our contributions at committee meetings of the Oireachtas Joint Committee on European Affairs which is willing and able to continue bilateral discussions at the highest level with Members of the House of Commons and the House of Lords. I certainly aspire to this work being done by the committee in the future. We have such a relationship that elements such as free movement for Irish people in the United Kingdom and a lot of other things will continue. Let us sound a positive note in that regard. The influence of the Irish in Britain is enormous and will be vital after Brexit.

I see no appetite for the holding of another referendum. It is aspirational and pie in the sky. Having met and discussed the matter with British people, they are war weary about Brexit, the House of Commons, the ongoing debate, the political defections and the new groups being formed. They just want finality as quickly as possible. The deadline of 29 March stands.

I compliment the Minister of State, her officials and the Tánaiste and the Minister for Foreign Affairs and Trade, Deputy Coveney, who briefed the committee last week on the 92 pages of a composite Bill which covers all Departments. He made it quite clear that it would be an all-party Bill and that he wanted an input from all parties and Independents in order that when the comprehensive Bill passed through the Dáil and the Seanad, there would be unity of purpose among Members to ensure it would cover all areas, including ones that may not have been considered at this point. From the perspective of the Fianna Fáil Parliamentary Party and the Seanad, I can assure him that we are very anxious to ensure the Bill will be passed on time and in advance of the decision of the United Kingdom to leave the European Union. If something happens, the Bill will be put on ice until Britain leaves the European Union. It will be a comprehensive insurance policy based on the United Kingdom leaving the EU on 29 March. Post-Brexit there will be time for discussions and negotiations on what will happen next, but the angles are being covered very well. Deputy Durkan referred to the land bridge. It is protected, provided one sends a product directly from Ireland to elsewhere in the European Union. It will not be inspected under the current international agreement. The important aspect is that goods from Ireland will have a fast track to elsewhere in the European Union. The British Government will co-operate in order that an extra lane on the land bridge will be dedicated to European Union traffic to and from Ireland. It is also in the United Kingdom's interest to ensure we will be able to continue to move our exports through the United Kingdom.

On the issues for travellers and motorists, North and South, the insurance companies have indicated that they will be providing a green card, or pass. It will be very honourable for them to issue it to all drivers, regardless of whether one travels frequently to the North. It will allow anyone who is travelling to pass through, North and South. It is very easy to do in County Monaghan and elsewhere. One can pass through the North handily. As such, the card should

be issued to customers. I call on the insurance company with which I deal, FBD, to show generosity of spirit. I understand there will be no extra charge. The card should be issued after the United Kingdom decides to leave the European Union.

The danger of an extension to Article 50 is that if it moves beyond 29 March, we will be into the European elections campaign. Britain will maintain the right to field candidates in the elections if it moves beyond 24 May and the additional seats for the Republic of Ireland will not be available until a final decision is made. They will remain in abeyance if the United Kingdom decides to contest the European elections, as it will be entitled to do. It is just a proviso.

I note that there is deep concern about the suppression of the opposition in Hungary. The European Union should insist on the new opposition party which is associated with Fianna Fáil's European Parliament group, ALDE, being given access to radio and television services.

Chairman: I remind members that the Minister of State is now down to ten minutes.

Deputy Seán Haughey: I see that the timetable in the Dáil is slipping. As such, there will be plenty of time for contributions.

I thank the Minister of State for her comprehensive report and welcome what she said about alliance building. Whether we like it, the United Kingdom is a major ally of the Republic of Ireland in the European Union and we will miss it and its support on a wide range of issues. I encourage the Minister of State in her endeavours in alliance building. There are issues of concern for us in that regard, as well as for other member states, be it in agriculture, taxation or defence matters. I welcome the solidarity expressed and the work the Minister of State and diplomats are doing to build new alliances following the exit of the United Kingdom from the European Union. I also welcome the Minister of State's remarks on the rule of law. She said the European Union was based on shared values, including democracy, human rights and the rule of law. I encourage her in the stance she has taken, in particular on Poland and Hungary. The European elections are to be held in May and there is concern that the basic values of the European Union may be challenged in them. I hope citizens in this and other member states will reflect deeply on the type of European Union we want to see.

Will the Minister of State clarify an issue related to the Multi-annual Financial Framework? In the event that there is a no-deal Brexit, what is the expectation in respect of the British contribution to the European Union? While it is provided for in the withdrawal agreement, what is the expectation, should the United Kingdom crash out, of what its contribution to the European Union will be in the next few years?

On preparations for Brexit, the Minister of State spoke about Dublin and Rosslare ports and said suitable sites for temporary infrastructure had been identified and that refurbishment work had commenced. She said space for truck parking had been secured at both locations. As a northside Deputy, I have a real worry about the Dublin Port tunnel. There are reports that it may have to close on occasion if there are backlogs. It is a major piece of transport infrastructure for the city and the country and if there is any hold-up whatsoever in the movement of trucks and other traffic through the tunnel, it will destroy traffic flows generally. It will disrupt traffic completely. I hope the line Minister for Transport, Tourism and Sport is conscious of this. It is the first thing people will realise when they are stuck in their car in much longer traffic jams. I hope that issue is being looked at by those who should be considering it.

I congratulate the Minister of State on her work at the citizens' dialogue on the future of Eu-

rope. The report presented concludes by drawing attention to the summit to be held in Romania to prepare the strategic agenda for the period 2019 to 2024. The document states that in advance of the summit Ireland will publish a statement on its strategic priorities for the European Union. I ask for an up-to-date report. The citizens who participated in the dialogue would like to know the results of their work and what the Government intends to do.

Senator Paul Coghlan: I welcome the Minister for State and thank her for her contribution and ongoing good work. The 80%, approximately, of our exports which go to continental Europe travel through Britain via Dover to Calais. What arrangements, if any, will be made in the event that there is no deal? Will lorries have their own lane to pass through, given that it looks like there could be a back-up of British trucks well up the road towards London? Some of the goods being transported will be perishable and even if we were to develop a sea route, the journey to France would take much longer. We do not have the ferries necessary to handle them. That traffic will have to continue to travel through Britain. As such, it will be very important to ensure it will have its own arrangements.

I agree with Senator Craughwell that a Border poll would be dangerous and is years away. The matter is governed by the Good Friday Agreement. I ask the Minister of State to comment on the issue. My understanding is the British Government is very firm in its view on the Agreement and does not propose to set it aside. It is standing over it very firmly. Will the Minister of State comment on the matter?

What does the Minister of State think of the possibility of an extension of the 29 March deadline?

Chairman: I thank the Senator. I was very glad to hear of the ambitious programme being put together by the Government to mark St. Patrick's Day. It is co-incidental that St. Patrick's Day falls on the day that it does, but there is an opportunity to take sensible steps. Sometimes people in the media have knocked this and other Governments for sending senior and junior Ministers around the globe, but it provides desperately good value for money and is a very worthwhile programme. When I see Ministers, Ministers of State and their officials travelling abroad, I take the view that they are ambassadors for the country. We are all flying the same flag and the Opposition parties and Independents, including Government supporting groups, should be 100% behind that job of work. It is very beneficial, this year more than ever, to visit each EU capital at this critical time. They are going to fly the Irish flag, which is tremendously important work and its importance cannot be overemphasised. It is about using our ambassadors abroad and continuing a strong programme of engagement and work with foreign ambassadors based here and those who cover Ireland from overseas stations. That is what will take us through the next number of weeks, months and years. I was glad to see the Government being ambitious and making a special effort in Europe this year. I recognise that work. I do not want to delay the Minister of State.

Deputy Helen McEntee: We are okay on time. We have another 45 minutes owing to the delay in the Dáil.

I thank members and the Chairman for their comments and support. Ireland has a unique opportunity to sell itself and otherwise engage with member states and countries across the world on St. Patrick's Day. It is an important opportunity for us to relay the best of what we have to offer in trade, business, culture and many other key areas. I thank members for their comments on that.

Senator Richmond asked about the multi-annual financial framework, MFF, and the time-lines. Initially, when this discussion started almost two years ago the current Commission had the ambition that it would be concluded and finalised before the European elections but, as we have seen in previous years, the negotiations are extremely complex and the added complexities of Brexit have pushed that out further. We agree that a finalised political decision should be made by October. Engagement is already happening with the European Parliament on specific areas, sectors and industries but we hope that when it is agreed in October or in the autumn that it would then be passed on to the Parliament and it would work on it also and then it would have to be agreed. I met the Chair of the Committee on Budgets of the Parliament and many others on this as well. There is constant engagement on the MFF at various levels. It is important that we try to conclude it in a timely manner. I note that in the previous MFF a number of programmes were delayed because of the delay in agreeing the final overall budget, so it is important that we get it done on time.

I agree with what the Deputy said about Erasmus and many other programmes. We need to highlight Erasmus more, as well as the fact that it is not just for third level students as it also now applies to those who are in traineeships or those who work in voluntary or community organisations, and those who are in primary school or secondary school. There are so many more opportunities available that it is important that in addition to the education platforms, we highlight the opportunities that are available. When we carried out the Future of Europe discussions throughout the country the one thing people highlighted and that became clear to us in the discussions is that people are not aware of a lot of what Europe is doing and that we need to communicate better. In that regard, as part of our overall discussion and the presentation that we will make to the Council meeting in Sibiu on 9 May, we have started engaging with all Departments, including the Department of Education and Skills, to identify how they could better communicate their own connections with Europe or how people can benefit through European programmes such as Erasmus+ and others. We have had engagement already and hope to have further engagement with Departments in that regard.

Senator Richmond referred to the rule of law in Hungary and asked what are the sanctions. We must adhere to the process that is currently in place. We have seen results in certain areas following the engagement with Poland. New legislation was introduced on the basis of the hearings we have had. I contributed to five different hearings and engaged with our Polish colleagues in the Commission. We need to allow the process to take place for Hungary as well. This was presented to the Council through the European Parliament. An initial discussion was had on how that would be brought forward as it was a new initiative but following on from yesterday's discussion, the current Presidency has stated this will continue to be an issue and that we must continue to raise it. I accept there are concerns but Hungary has asked for fair and due process in order to address the questions people have raised.

In terms of the alliances, as many speakers mentioned, we are losing one of our closest neighbours, friends and allies in the UK. We want to continue to be able to work with the UK on key issues but when it comes to the European Council, the General Affairs Council, the agriculture committees or whatever other fora our Ministers will attend, they will not be around the table and it is important that we have other alliances on financial issues, tax, the next MFF, agricultural issues or the digital single economy in terms of the D9+ group that is set up. We are actively engaged in various groups but we are also in discussions with member states across the European Union. It is extremely important that we continue that process and where we can find commonalities that we would work with each other while at the same time not creating any divisions between the European Union and its member states.

In terms of the western Balkans, it is extremely important that we continue to show support for those states seeking to join the European Union. While one member state is unfortunately looking to leave, there are many others who see the European Union as the way forward and as a way for their country to develop, prosper and grow, in particular for their young people. Last year I travelled to Serbia, Bosnia and Herzegovina and Montenegro and this year I will go to Albania and North Macedonia. What is very clear is that if the European Union does not continue to engage and to open up a process for those states to move along the path to accession, then other countries and regions will engage with them. We must make sure we continue that engagement. My visit to the western Balkans this year was with my Finnish colleague. It is important that we do not just develop those relationships as individual member states but also that we work together to show unity from the European Union as a whole.

In terms of Brexit discussions, the Commission's thoughts on where we are and what we are doing and the general mood, to be honest I think the general mood is one of frustration at the moment. The Commission is continuing to encourage all member states to prepare in the best way that they can. The work that we are doing is not necessarily what other member states need to do, but we are trying to make sure, inasmuch as we can, everything that we do is in parallel with the work that the Commission is doing. There is constant engagement to make sure that we are working in parallel and that we can replicate here anything it is working on where we need to do so.

Senator Craughwell asked what steps have been taken to deal with customs issues. Officials have been hired to deal with east-west trade and the possible complications in terms of freight transport and having to provide documentation that was not the case heretofore. Most importantly, our focus is on ensuring that businesses are prepared and are able to have the documentation and to prepare in that way. In that regard Revenue has been taking part in an outreach programme recently since the central case planning has been ramped up to implementation of a no-deal scenario. It is engaging with small and medium enterprises and it has engaged with a significant number of larger companies as well to make sure they have the correct expertise and knowledge to be able to deal with any of the possible changes that may happen. It is important to stress that even in a deal scenario, some additional paperwork will be required, as well as some changes to the way people are doing business, so it is important that they avail of the assistance irrespective of whether there is going to be a deal or not, because it will be important either way.

As for sending soldiers or identifying places for posts, that is simply not happening. It is not something we are considering. We are not considering anything of the nature of a wall or otherwise and we have consistently said that. We have consistently repeated that there is an onus on the UK to fulfil its obligations as co-guarantor of the Good Friday Agreement. The invisible Border that currently exists is integral to the Good Friday Agreement and the continued success of the agreement.

In terms of the mismatch of funding due to Brexit for the PEACE and INTERREG programmes for communities in the North, that is a significant challenge. If the UK were to leave without a deal, we do not know what will happen with funding. That goes back to the question on the MFF and what will happen next. We would have to find out from the UK what funding it wants to continue to pay. The Prime Minister has been clear that there are certain programmes the UK wants to leave, be it the Common Agricultural Policy or the Common Fisheries Policy, but the UK has consistently stated it wishes to remain part of programmes such as PEACE and INTERREG. The UK has already given a commitment to continue to co-fund the programmes

with Ireland and the European Union. In addition, the UK also wants to continue involvement with Erasmus and Horizon 2020 among the social and educational programmes. Until we hear from the UK as to what it is that it will continue to fund, it is very hard to identify where the gaps might be. We will continue to fund the PEACE and INTERREG programmes and any others that require cross-Border and North-South support.

In terms of solidarity within the EU, support is strong from all member states. There is frustration but there is clarity from all the colleagues to whom I have spoken, as recently as yesterday, that the withdrawal agreement must remain as is, and that the backstop, the Irish protocol and the issues discussed in terms of the financial settlement and citizens' rights cannot be reopened, but there is an opportunity to focus on the future relationship and possible changes to that.

Senator Craughwell mentioned the European elections that are coming up and that solidarity is strong but there are different factions within European member states that are possibly moving more towards the left or right. Any colleagues with whom I have engaged on the Future of Europe discussions and support for the European Union have said that support for the EU is not less than 60% in any member state. Ours is quite high at 90% but most member states are 60%, 70% or 80% supportive of the European Union. Through that engagement and through the Future of Europe process, hopefully we can increase that number in all member states, including Ireland.

On the issue of a border poll, I reiterate what Senator Craughwell has said. This is not the time for a border poll. It is certainly not on this Government's agenda and will not be on our agenda in the context of the overall discussions we are having in terms of a deal or no deal. Reference was made to civic groups from the unionist and nationalist communities and the fact that people feel that they do not have representation but the best way to address that is through a functioning Northern Ireland Executive. It is two years and one month since the Assembly last sat, which is a world record for a region to be without a government. It is extremely important that the Executive is back up and running so that groups like the Ulster Farmers Union, Retail NI and various other groups who have expressed support for the withdrawal agreement feel that they have a voice.

Deputy Durkan asked if there is enough investment in place for hauliers. As I said in my opening statement, we are investing as much as we can to ensure that all of the facilities, space and mechanisms are in place at our own ports, including sufficient numbers of customs officials, staff to conduct sanitary and phytosanitary, SPS, checks, as well as any required additional lay-bys or expansion of the parameters of the ports. What we cannot predict what the impact will be on those hauliers who continue to use the UK landbridge. We can prepare at our own ports and can engage with our European colleagues, which we have done, particularly in France and Belgium, to try to ensure that when Irish trucks arrive, they are provided with a faster or a dedicated lane to drive through. However, we have no such commitment from the UK and I do not expect that Irish hauliers would have a quicker pass through the Channel Tunnel than British hauliers. That is obviously one of the biggest challenges that we face. Of course, we are also ensuring that even in a no-deal scenario, there will be a reciprocal arrangement to ensure that UK hauliers could continue to travel through the EU and *vice versa*. However, that is not going to replace what we currently have and is not going to be as good as the *status quo*. This is one of the biggest challenges that we face but we are working with hauliers who are at the front line in terms of a lot of the chains that we talk about. It is important that they are aware of the supports that are available to them, as well as what is happening on the ground.

On the €300 million Brexit loan scheme fund, it is my understanding that as of 28 January, 338 firms have been given approval. The businesses involved range across the agrifood sector, retail, distribution, manufacturing, hospitality and transport. A further 36 loan applications are being processed at present. Loans to the value of €15.34 million have already been sanctioned so there is still a substantial amount of funding available. In that regard, I would encourage companies to apply to the scheme if they think it is appropriate. We are trying to move the applications along as quickly as possible. There are other supports available too. At a European level, the Minister for Business, Enterprise and Innovation, Deputy Humphreys, has been given permission by the Commission to establish a rescue and restructuring fund in conjunction with Enterprise Ireland. This will provide further support for SMEs whose very survival is under threat. In cases that are not as severe, additional supports can be provided and ceilings can be lifted by Enterprise Ireland.

Reference was made to the CAP and to food security and we have consistently stated in the context of the next round of multi-annual financial framework, MFF, that we would be willing to pay 1.1% rather than the 1% currently being proposed by the Commission. That said, we would obviously want to ensure that our traditional priorities are protected, including the CAP. This is not just important for our own farmers and our own indigenous agriculture sector, but also in terms of food security, hygiene and health. We have a real opportunity to connect this with our discussions on research and innovation, climate change and how our own farmers are champions of change and continue to produce food in the most sustainable way possible.

I assure the committee that the UK has been reminded of the seriousness of the Good Friday Agreement. While it is not for us to interfere in the political process in the UK, we are within our rights to remind the British Government of its obligations as a co-guarantor of the Good Friday Agreement and we continue to do so. European support has been absolutely steadfast and is very strong. While we might disagree on certain issues and processes, solidarity on this particular issue and the unity of the EU 27 on it has been very strong. Senator Leyden also spoke about the Good Friday Agreement and its standing, irrespective of Brexit, and I agree with him on that we must continue to develop the relationships we have. That is why Irish Ministers are continuing to engage with their UK counterparts, separate to the Brexit negotiations which are being handled by Mr. Michel Barnier and his team at a European level. It is fair to say that relationships are somewhat strained, which is only natural when a negotiation is under way but we have been very clear that we want the progress we have made in recent years to continue post Brexit. We will continue to use the already established ways and means, including various committees, to support that engagement. The committees formed as a result of the Good Friday Agreement could be a good way of engaging with the British when they are no longer sitting at the table at European Council meetings.

We want to pass the so-called omnibus Bill on time and thank Deputies from all sides for their support. We will do everything we can to ensure that it is implemented on time. If it is not needed for 29th March, it will still be there for when it is needed. In response to the various questions about hauliers and being able to ensure that goods can get to the EU as quickly as possible, the Department of Transport, Tourism and Sport has done an enormous amount of work on sea transport. A new vessel, the *MV W.B. Yeats*, has been launched which can carry three times the amount of its predecessor, which is very significant. However, in terms of perishable goods that need a 20-hour turnaround time rather than goods that can handle a 40 or 60-hour turnaround time, the landbridge is obviously going to be the quickest option, notwithstanding the challenges faced by hauliers when they get to the UK. We are doing everything we can to try to address that.

A question was asked about an extension of Article 50 but as recently as last week, the British Prime Minister said that she is not going to ask for one. Until the British actually ask for an extension, we cannot predict what will happen there. Of course, if they do ask for an extension, we have always said that we would look upon such a request favourably. However, having spoken to colleagues in Europe about this recently, it is clear that the Commission and member states would want to know that there is a good reason for granting an extension and that we will not end up in the same place as we are now in three month's time, which is simply prolonging the uncertainty for so many businesses and people.

On the issue of the green card, this is something that insurance companies are taking on board, based on what was in place prior to our membership of the European Union. My understanding is that they will begin to engage with all of their customers at the beginning of March if a deal has not been agreed or if we have not seen progress. Obviously people do not want to have to fill out additional paperwork but contingency plans must be in place just in case.

We will continue to engage on Hungary and to voice our concerns about the many different issues involved, including the negative impact of recent legislation on voluntary and community organisations, the moving of university courses to Vienna and the Government-funded campaign against the President of the European Commission. Deputy Haughey made reference to the need to continue to build alliances in Europe. As I have already said, we are continuing to engage with our EU partners in the context of discussions on the MFF, the digital agenda, agriculture and finance and taxation issues, as well as on a one-to-one basis. I will be travelling to Lithuania and Latvia next week and the Tánaiste will continue his engagements across all of the EU member states. The rule of law in Poland was mentioned. We will continue with our current policy in that regard but there is a frustration at European level that this process has been ongoing for some time now. While we have seen significant developments, not enough progress has been made in certain areas. This is something on which we need to work together to try to bring it to a conclusion sooner rather than later. We will have to wait and see if the UK will continue to make a contribution to the multi-annual financial framework in the event of a no-deal scenario.

In April, we hope to publish our contribution to the future of Europe event in Sibiu, Romania, on 9 May. I hope there will be a debate in the Dáil and the Seanad in order that everybody can engage in and contribute to it before it is presented by the Taoiseach on 9 May.

Senator Paul Coghlan asked about the hauliers and ensuring that our exports to the EU reach member states as quickly as possible. We are obviously doing everything I have just outlined, from the work on our ports, to engaging with our EU colleagues, to additional ships, to various other ways that we are trying to engage. The UK has not stated that it will ask for an extension on Article 50. Unless it does so, it is difficult to deal with that issue.

Chairman: I thank the Minister of State. The timing of today's briefing is important. We wish the Minister of State well over the next couple of weeks and thank her for her engagement with us. It is important to carry on strong dialogue at home and abroad at all times. I hope we will get over the next couple of months.

I will allow a few moments for the Minister of State to leave. We will return in private session and the meeting now stands suspended.

Sitting suspended at 3.11 p.m. and resumed in private session at 3.13 p.m.

JEUA

The joint committee adjourned at 3.22 p.m. until 2 p.m. on Wednesday, 6 March 2019.