

DÁIL ÉIREANN

AN COMHCHOISTE UM IOMPAR AGUS CUMARSÁID

JOINT COMMITTEE ON TRANSPORT AND COMMUNICATIONS

Dé Céadaoin, 28 Bealtaine 2014

Wednesday, 28 May 2014

The Joint Committee met at 9.30 a.m.

MEMBERS PRESENT:

Deputy Paudie Coffey,	Senator Terry Brennan,
Deputy Michael Colreavy,	Senator Paschal Mooney.
Deputy Timmy Dooley,	
Deputy Dessie Ellis,	
Deputy Brendan Griffin,	
Deputy Noel Harrington,	
Deputy Seán Kenny,	
Deputy Helen McEntee,	
Deputy Michael Moynihan,	
Deputy Patrick O'Donovan,	

DEPUTY JOHN O'MAHONY IN THE CHAIR.

The joint committee met in private session until 10.10 a.m.

EU Transport Council: Minister for Transport, Tourism and Sport

Chairman: I welcome the Minister for Transport, Tourism and Sport, Deputy Leo Varadkar, and his officials. The Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, will be here later. As the Minister, Deputy Leo Varadkar, is aware of the rules on defamation, we will cut through the housekeeping matters and go straight to his opening remarks

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I am pleased to appear before the joint committee in advance of the Transport Council in Luxemburg on 5 June. I will briefly outline the outcome of the last Transport Council on 14 March in Luxemburg. I will then focus on the agenda for the Transport Council on 5 June and run through the main agenda items and some of the important any other business, AOB, items. I will welcome questions from members.

The first Transport Council under the Greek Presidency was chaired by the Minister for Infrastructure, Transport and Networks, Mr. Michalis Chrisochoidis. Ireland was represented by the deputy permanent representative, Mr. Tom Hanney, and the Secretary General of the Department of Transport, Tourism and Sport, Mr. Tom O'Mahony. The half-day Council reflected the relatively light agenda and was attended by fewer than half of member state Ministers.

Among the "A" items adopted was a decision confirming the position taken at COREPER not to adopt a Council decision or to proceed with further deliberations on a co-ordinated EU position to be taken at the International Maritime Organization, IMO, in relation to implementation of nitrogen oxide, NOx, maritime emission standards. This amounts to a decision not to exercise shared EU competence in this matter, thereby obviating further proposals by the Commission in the near future.

A general approach was agreed unanimously by member states on the European Railway Agency, ERA, regulation and delegations lifted the remaining reservations. The Commission retained reservations on the final agreement on Articles 21, 22 and 29 regarding the powers of the Commission to act on national rules and findings of national safety authority audits carried out by the ERA; the reduction in the number of Commission representatives on the ERA management board; the procedure for appointment and dismissal of the executive director; and implementing, rather than delegated, powers regarding fees and charges. The Commission declared its intention to manage these reservations during the debate with the European Parliament. An almost full table round of interventions focused mainly on preferred next steps on the fourth railway package. The Presidency's conclusion was not very clear or emphatic about the next steps. Mr. Chrisochoidis merely noted a "constructive approach towards making progress for future negotiations" and emphasised the general importance to European competitiveness of reducing costs and improving the quality of railway services.

The political position was agreed to on the draft Shift2Rail regulation establishing the joint undertaking for the railway innovation programme under Horizon 2020, without amendments to the final compromise text proposed by the Presidency. Spain, Italy, the United Kingdom and France took the floor to express their general enthusiasm for the measure and indicate final approval for the text regarding the criteria for membership of the joint undertakings. They emphasised that this allowed for the "balanced involvement" of all public and private actors.

On the other hand, Austria, Croatia, Slovenia and Ireland did not agree that the participation rules were balanced and, while accepting the final compromise, expressed regret that SMEs, in particular, did not enjoy the same opportunities as others for associate membership. It remains for the European Parliament to adopt a positive opinion on the text of the compromise before it is adopted.

There was a policy debate on the issue of urban mobility which focused on three questions prepared by the Presidency on the basis of a Commission communication on sustainable urban mobility, published in December 2013. In its introduction the Commission stressed the importance of making urban mobility more sustainable in the interests of improving air quality, reducing the numbers of road deaths and injuries and reducing congestion and its attendant costs. A decentralised but co-ordinated and non-prescriptive approach was being advocated which respected subsidiarity and supported local authorities, the exchange of best practice and reinforced EU effort where there was EU added value. An expert group is to be established later this year and the Commission hoped all member states would participate. All of the member states which spoke welcomed the initiative and spoke positively about its non-prescriptive approach. The Commission concluded that the focus for work on urban mobility should be on the exchange of best practice among member states and the soon to be established expert group would have a key role to play in this regard.

Under the heading of AOB, the main items related to the airports package, clean power and the outcome of the EU-ASEAN aviation summit. On the airports package, the Presidency reported on the agreement reached with the European Parliament on the noise regulation aspect of the package. Regarding clean power, the Presidency reported on the ongoing negotiations on the directive on the deployment of alternative fuels infrastructure. The Commission welcomed progress in the negotiations but regretted the Council's lack of ambition regarding the deadline for liquefied natural gas, LNG, infrastructure for ports. Italy, Germany, Finland, Denmark, Spain, Belgium and Ireland all intervened to emphasise the importance of reaching agreement on the file as soon as possible, encouraging all actors to assume their responsibilities.

The Commission reported on the EU-ASEAN aviation summit which took place in Singapore on 11 and 12 February, with participation from ten South-East Asian states. The Commission stated the region was a key market with half of the aviation traffic growth in the next decade expected to take place to, from and within the Asia-Pacific region. The summit created good momentum toward a tailored approach to EU-ASEAN relations. The Commission reported that the preparation of a comprehensive air service agreement would commence shortly.

On the Transport Council agenda for 5 June, No. 4 relates to the fourth rail package, an ambitious suite of six EU legislative proposals involving further opening of domestic railway markets to competition, mandatory tendering of public service contracts and updating and streamlining of processes and systems for railway safety and interoperability. The Council is being asked to reach political agreement on three of the proposals contained in the package, namely, the proposals for directives on the interoperability of the European railway system, safety on the Community's railways and a proposal for a regulation on the ERA. Concerns that Ireland had about the text of the original proposals have been addressed by amendments agreed to at previous Councils. Ireland welcomes the measures contained in the proposals submitted to the Council and can support them.

No. 5 on the Council agenda deals with the proposal to amend Directive 96/53/EC of 25 July 1996 laying down the maximum authorised weights and dimensions in national and international traffic for heavy goods vehicles, HGVs, circulating within the European Union. Ireland

fully supports the proposed amendments to allow manufacturers to develop more aerodynamic, fuel-efficient and safer vehicles, which will enhance road safety. The proposals will give drivers a better field of vision, which has the potential to reduce the numbers of collisions involving vulnerable road users. On this note, Ireland has always stressed the road safety benefits of the proposed revisions to the directive, particularly to Article 9, the profile of HGV cabs, and has consistently argued for a short lead-in period, of the order of five years, on the grounds of road safety. Ireland is also supportive of the proposed increase in weight of one tonne for alternatively fuelled HGVs, to take account of the heavier Euro 6 engines and battery components and an increase of 1.5 tonnes for all buses and coaches to accommodate the increased average weight of passengers and their luggage.

Our concern is the Commission's proposals amending Article 4, which are less than clear. There are differing interpretations of the impact of the proposals on the article and we will reserve our position until it is clarified, particularly the potential impact on bilateral arrangements we have with the UK.

Agenda item 6 proposes a regulation to open up access to the provision of certain services in ports, such as bunkering, dredging, mooring, port reception facilities, pilotage and towing. The Irish commercial ports sector largely fulfils the spirit of the proposed regulation and Ireland welcomes its objectives.

Agenda item 7 deals with common rules on compensation and assistance for airline passengers. While we are broadly supportive, we have concerns about a particular aspect of the Commission's proposal, which is that of compensation in the case of missed connections. Under the Commission's proposals, the first feeder airline will be liable for the full amount of compensation where a connection is missed. This has potential to have serious implications for carriers such as Aer Lingus which feed traffic into many of the European hubs for onward long-haul connections. The industry contends that this has the potential to seriously undermine interlining arrangements among carriers and discourage such arrangements, which, perversely, could be to the detriment of consumers, as it could reduce choice and convenience and likely result in higher costs. Ireland's views are shared by many other member states in this regard.

Agenda item 8 proposes the adoption of draft Council conclusions on the mid-term review of the EU's maritime transport policy until 2018 and outlook to 2020. A draft declaration on this was adopted at an informal maritime meeting in Athens on 7 May and Ireland welcomes and supports the Council conclusions. Shipping and the movement of goods by sea is vitally important to the economy, and our continued support for the implementation of EU policy to develop and promote a safe, secure and clean shipping environment is assured.

On AOB item 9(a), the French have concerns about Regulation (EC) No.1071/2009, which establishes common rules concerning the conditions to be complied with to pursue the occupation of road transport operator. The purpose of the regulation is to achieve greater harmonisation of standards among member states, particularly as regards levels of financial standing required and the standard of professional competence expected; to facilitate the right of establishment in other member states and the mutual recognition of professional status; to improve the overall professional standing and quality of road transport; and to prevent unscrupulous firms from seeking to gain market share by skimping on safety and working conditions. France is concerned that there are many problems within the present framework that result in unfair competition in national markets. The main issues of concern to France are cabotage and "letter box" companies.

Cabotage remains a contentious issue, although the amount of cabotage remains small in the context of the overall EU transport market. Some member states view the further liberalisation of cabotage as unacceptable due to the disparity in labour costs across the EU. They fear that this would result in a race to the bottom in labour standards, which would have a negative impact on society. Ireland recognises the overall benefit of a liberalised market that is equitable and supports any steps taken that will assist with a smooth transition to this.

On AOB item 9(b), Ireland supports the establishment of the joint venture and believes that the output of the shift to rail joint undertaking will have positive benefits for the rail market. The main outputs envisaged from the programme will be a 50% reduction in life cycle costs for the railway transport system; a 100% increase in capacity; a 50% increase in reliability and punctuality of rail services; the removal of technical obstacles to the interoperability of the rail system; and a reduction in noise, emissions and other environmental impacts arising from rail transport.

To date, one Irish company, as part of a larger consortium, has signed a memorandum of understanding with the joint undertaking. It is also understood that a consortium consisting of UCD and Trinity College Dublin is in negotiation on the development of a memorandum of understanding with the joint undertaking. It is also understood that the Rail Procurement Agency and Irish Rail have been exploring possibilities under the initiative.

On AOB item 9(c), I look forward to receiving information from the Commission on tracking of aeroplanes, which is an important safety issue, following on from the Malaysian Airlines incident. I am happy to take questions from members on the agenda.

Deputy Dessie Ellis: I thank the Minister for his presentation. With regard to the fourth railway package, there are issues with regard to the awarding of the PSO contracts, and a court case is outstanding in this regard. I am a little worried that PSO cutbacks and allowing other operators to take on PSO contracts will lead to further privatisation. Will the Minister comment on that?

There will be a division between the management of the rail infrastructure and the operation of the rail services. Will he explain how that will work? Will Irish Rail operate a different setup to manage that? Will this be more beneficial in the context of increased co-operation between rail operators North and South?

I refer to the proposal to amend Directive 96/53/EC, which relates to the height, length, weight and so on of HGVs. The standard height in Europe is 4 m. Will this have repercussions for Irish hauliers? There are cabotage issues throughout Europe.

The Minister referred as he closed his contribution to the tracking of aeroplanes following the recent tragic accident. What is the Council considering? This is a significant issue. What happened to the Malaysian Airlines flight - an aeroplane disappearing off the face of the earth - cannot be allowed to happen again. Will this be a major issue during the discussions?

Deputy Leo Varadkar: I thank the Deputy for his questions. Next week's Council meeting will deal with the technical aspects of the fourth railway package, such as safety, interoperability and the European Railway Agency. We will not discuss the opening of the railway market but it will be discussed at a later stage. International traffic is liberalised. For example, the Belfast-Dublin route could be operated by anyone. The Commission is proposing to open up domestic markets - that is, journeys within a country - to competition and tendering. We sup-

port that in principle across the Union where it makes sense but, as far as Ireland is concerned, we intend to seek a derogation from it. The domestic rail market in Ireland is too small for different companies to compete to run services. There would be a significant cost to tendering for PSO routes and we might find that the only operator that tenders for them is Irish Rail. There would be a great deal of money in it for lawyers, consultants and others but there would be no outcome to it. Irish Rail could tender services if it wanted to but we will not seek a legal obligation on us to do so under European law and, therefore, we will seek a derogation on that.

The restructuring of Irish Rail is under way. That relates to an existing directive. It will involve a separation within the company to give an infrastructure management company and a railway undertaking. We had a derogation under the directive but we did not seek to have it renewed.

The standard HGV height in continental Europe is 4 m because there are many low railway bridges. This is an area of concern for us because we want to maintain the 4.6 m height for Britain and Ireland, and we want to make sure nothing in European law creates a problem for us. However, there is no proposal to change the heights across the EU at present.

On the tracking of aircraft, the Commission will just look at the safety standards but the longer-term solution to this issue is the satellite tracking of aircraft. At the moment, this is done by radar, which stops approximately 200 km off the coast. Essentially, once an aircraft is that far off the coast, it flies on a dedicated path and if it disappears along that path, one does not necessarily know where it has disappeared, and if the pilot diverts from that path, one does not necessarily know where the aircraft has gone. We are leaders on this issue. The Irish Aviation Authority is part of a consortium, involving Canada and some other countries, that will move towards satellite tracking of aircraft rather than radar tracking, although that will take a while to happen.

Deputy Patrick O'Donovan: I thank the Minister for his presentation. He mentioned the importance of the ports policy, specifically the importance of shipping to an island economy. This committee recently discussed the Government's ports policy in regard to the division of ports by tier according to their national, regional or local importance. I am sure the Minister is aware that on the west coast there is only one port of tier 1 importance, namely, Shannon-Foynes Port. In the recent past, there has been an announcement by the Galway Port Company which aspires to make a significant capital investment at its port with a view to going into almost direct competition with Shannon-Foynes, although this is probably at odds with what has been laid out in the Government's ports policy document. Is it the Department's intention to continue to support the Government's ports policy in terms of the State's investment in ports and any investment that might come down the line? Is it also its intention to continue Government policy *vis-à-vis* Galway Port, which I understand has been categorised at a lower level than Shannon-Foynes?

I ask this because I believe what ports require at the moment is a degree of certainty. Given the significant infrastructural investment that is taking place at Foynes at present, I do not think it helpful to have a situation where there is uncertainty in regard to whether there will be one or more ports of strategic national importance on the west coast. If clarification can be given today in regard to the Minister's position and the Department's position, namely, that investment in tier 1 ports will be identified and will continue as laid down in the ports policy document that was published, that would be very helpful.

Deputy Leo Varadkar: None of this relates to the European Council meeting but-----

Deputy Patrick O'Donovan: It relates to the policy.

Deputy Leo Varadkar: It does. The tiering of ports largely follows the TEN-T guidelines as to what is a core port and what is not, and what is on TEN-T and what is not. Some take the view that governments can just put anything they want on the trans-European networks, but they cannot. There are certain criteria, and the ports that meet those criteria are Dublin, Cork, Shannon-Foynes, Rosslare and Waterford. We have classified Dublin, Cork and Shannon-Foynes as the tier 1 ports because of the level of trade they carry. In particular, Shannon-Foynes is a huge bulk port. I understand Galway accounts for less than 2%, perhaps less than 1%, of all trade by sea, so it is considered a regional port. Whatever happens, there is no State investment at all in the commercial ports and there are no Exchequer grants for the commercial ports, which operate entirely on a commercial basis in the same way that the ESB, Bord Gáis or any of those semi-States operate. There could be a State investment through the National Pensions Reserve Fund or the Irish Strategic Investment Fund, but that would have to be on a commercial basis and they would have to be sure they would get all their money back, plus a return.

We allow the ports to operate on a commercial basis and to put in their own planning applications. For example, Dublin has its plans for Alexandra Quay, Cork has its plans for Ringaskiddy and Galway has its plans for its new ports. The Department neither gives approval nor vetoes such planning applications but what is expected is that An Bord Pleanála, in making its decision, and it is the body that will make the decision, will have regard to everything it has to have regard to, which includes the ports policy, environmental issues and pretty much anything else.

Deputy Patrick O'Donovan: To clarify, do I take it the Department has no plans to in any way amend or deviate from the stated ports policy?

Deputy Leo Varadkar: No, the ports policy has been approved by Government.

Deputy Timmy Dooley: I thank the Minister for his presentation. On one of the issues discussed, the policy debate on urban mobility, the Minister's presentation refers to this being a rather repetitive debate. It seems to me that thinking has not emerged too much in this regard. I am taken to some extent by the press coverage today of Google's plans to introduce a vehicle that does not have any controls other than those that will be guided by systems, which it is in the process of developing and receiving patents for. In the Minister's opinion, will the Commission or any of the member states have direct contact with, or are any of them in discussions with, the industry regarding the whole area of urban mobility? Given Google seems to be moving ahead, it would be important for the Minister to get into conversation with it, considering it has such a presence here. The difficulty is that the industry is often well ahead of where politics and policy is, and this is an example of that. Perhaps this is something on which the Minister could take a lead. I believe he would have the wherewithal to get his head around what Google is at here, so it is something he might comment on.

Another issue which is perhaps not part of policy, to quote Deputy O'Donovan, relates to the industrial relations issues taking place within Irish Rail and more particularly within Aer Lingus, where a strike is looming at the weekend. While I do not want to get into the issues around the strike, does the Minister believe the industrial relations mechanism that exists at present, as deployed by the unions and Aer Lingus, is fit for purpose? This continuous toing and froing between the Labour Relations Commission and the Labour Court and the continuous balloting for strike action would seem to identify a broader problem within that company between management and unions. Does the Minister believe it is possible to create some other forum or try

to facilitate, through some other mechanism, a more comprehensive and long-term solution so we do not have this continuous threat of strike, then moving to a one day or two day strike and so on? This is causing a great deal of uncertainty in the minds not just of the travelling public and business but also tour operators and people who are looking at Ireland as a destination for their summer vacation. The Minister might comment on both issues.

Deputy Leo Varadkar: On the urban mobility question, I was not there for the debate so I do not know the real details of it. The Deputy makes a very good point on technology. It is absolutely the case that technology is ahead of legislation, but it is very hard to write legislation in anticipation of technologies that might or might not develop. I do not know much about the new driverless car, so I might take the Deputy's advice and contact Google as to whether I can take a look at it. As I said, we would have to provide for it in legislation, but as I have not seen it, I am not sure how. It would definitely be a challenge.

On Aer Lingus, we have had three strike threats in the past six months alone. Even though the strikes may not happen, the inconvenience for passengers and potential travellers damages the company's reputation. Anything that damages the reputation of the company means that fewer people will book with Aer Lingus which means that it will make less in profit which means that there will be less money for staff. It seems to be a self-defeating strategy. It is hard for me to comment on whether there should be a new mechanism for solving disputes. From the point of view of the Government, the Labour Relations Commission is available to be used any time people wish, but they must want to do it. It is welcome that the company has invited the union to talks and that it has accepted the invitation. I hope they will be able to resolve the matter. In my contacts with both sides they accept that they need a better way to solve their problems, but they have not yet agreed what that better way is.

Deputy Timmy Dooley: This is probably an area in which the Minister has a role and I encourage him and the Department to try to facilitate some mechanism which would lead to a forum in which these issues could be resolved. We certainly agree on the damage the uncertainty causes, not only for the business travelling community but also in terms of the negative impact it has on the tourism sector. I have spoken to people involved in the industry who see potential cancellations as industry representatives outside Ireland are stating to hoteliers they will not take the risk of holding a conference here. This is damaging and the Government needs to move to a sectoral approach to industrial relations, rather than using the generic model which worked in the past. It is probably more relevant now in the absence of a partnership arrangement that a forum be established without delay. I look forward to the Minister giving consideration to this in bringing forward proposals.

Chairman: The Minister mentioned the height of vehicles and that he was against reducing it to 4 m. He also stated there was no proposal, but there is a Commission proposal. Am I reading something different into it? It states that if the Commission's proposal to amend Article 4 is accepted, it is likely that it would prohibit the cross-border operations of vehicles exceeding 4 m in height.

Deputy Leo Varadkar: I do not believe there is a formal proposal. The EU standard is 4 m height; therefore, there is no proposal to change heights or weights throughout EU member states. Individual states have the right to apply different weights and heights in their own jurisdiction and it is up to member states to agree to it on a bilateral basis. We want to ensure nothing undermines this position. To clarify, there is no proposal to change the heights or weights.

Deputy Brendan Griffin: I thank the Minister for the information he has given to us. We

have discussed the issue of road safety and I raised in the Dáil with the Minister the need for a philosophical and attitudinal change to what we find acceptable with regard to road death figures. I used the 1970s as an example when more than 600 people died on the roads every year in Ireland. In the late 1990s the figure was more than 400. In time to come I hope we will look back and state that in the early part of the 21st century the figures were also shockingly high. To this end, what further measures does the Minister envisage being initiated in Europe in the implementation of modern technology to help stem number of road deaths? Does he envisage speed restrictions for large vehicles which were applied here in the mid-2000s being applied across the board? Does he see alcolocks being applied across the board? How far off is this? Is it something on which Ireland could lead the way?

Deputy Leo Varadkar: What we plan to do in the coming years on road safety is outlined in the strategy which contains approximately 140 actions. They all relate to education, engineering and enforcement. Road safety is largely a domestic competence and I would prefer not to see the European Union getting too involved in domestic road traffic legislation as it affects speed limits. It is up to every country to do this for itself. The European Union is very involved in setting vehicle standards and licensing. We are generally supportive of anything which raises vehicle standards to make vehicles safer. We do not like to impose too many standards which are specific to Ireland because it creates many distortions such as in the second-hand car trade. What is being introduced at EU level is eCall, a system being introduced in new cars. It will mean that if a car crashes, it can call the emergency services. Such measures are discussed a great deal at EU level. Introducing alcolocks or interlocks in all vehicles might be a step too far at this stage, but in the road safety strategy we are considering the courts imposing them. If somebody has penalty points or a conviction for drink-driving, use of an alcolock could be imposed. It might also makes sense in the case of commercial vehicles such as buses and trucks. By and large, I would prefer to see such measures decided at national level.

Deputy Brendan Griffin: It is amazing that in the 1970s society deemed such road death levels as acceptable, because it would not have happened if they had not been, as a downside of having a transport system. The outlook we need to take is zero tolerance to road deaths and injuries because one death is one too many. We should try to embrace technology more and see it as a way of self-policing road traffic management and as a means of punishing and regulating those who have stepped outside the mark. It might be more effective than some of the measures in place. I encourage the Minister to explore as many measures as possible.

Deputy Noel Harrington: Has any progress been made or have discussions taken place on the harmonisation of cross-border traffic offences and penalties?

Deputy Leo Varadkar: Nothing is imminent. There is mutual recognition of disqualification from driving. Standardising the penalty points system throughout the European Union would be extremely complicated because what is an offence in some countries is not in others. Some countries have many penalty point offences, while others do not. It is a difficult issue. Under agenda item 9(c), there will be an information point from the Commission on cross-border traffic offences and the key issue is the exchange of information and enforcement. We are very interested in being able to do this. There are many difficulties in making these issues a reality. We will wait to see what the Commission's proposals are and consider them.

Chairman: An issue the committee has discussed but which is not on today's agenda is that of cross-Border HGVs. Has any progress been made with the British on the €10 charge on roads between the North and the South?

Deputy Leo Varadkar: We are still over and back discussing it with them. They have exempted a small number of roads that straddle the Border but are still refusing to exempt the A5, which we want exempted. We have been considering, as a potential alternative solution, joining the UK system, introducing the same system in the Republic and reducing the road tax for heavy goods vehicles, HGVs, to compensate them. However, this needs to be worked out between my Department, the Department of the Environment, Community and Local Government, Revenue and a few other people. An interdepartmental committee is working on it.

Chairman: The implication would be a charge both ways.

Deputy Leo Varadkar: No. In the UK, road tax for HGVs is quite low and includes the £10 per journey levy. Most people registered in the UK pay road tax as well as a standard charge, which allows them to use the roads freely. The only people who pay the £10 are those who are not road taxed in the UK. If we joined the UK system, anyone road taxed in the Republic would be able to use the roads in the North and Britain without having to pay the £10, but anyone visiting Ireland from another EU country would have to pay it. However, there are many different options and we have not settled on one. There is a committee set up between the Department of the Environment, Community and Local Government, which controls road tax, Revenue and a few others. We hope to have a set of proposals before the recess.

Chairman: If we went the route the Minister mentioned, what would be the timeline?

Deputy Leo Varadkar: I do not know. Probably a year or two. There are knock-on implications, which is always the problem with these measures.

Chairman: Solve one problem and create another.

Senator Terry Brennan: Like the Minister, I travel the motorways of the country. There is an inconsistency in traffic route lighting and some motorways are overlit. The lighting approaching, at and exiting junctions on the M1 from Dublin to the Border and beyond is far in excess of what is required. I have quantified this by considering the M7 and M8, which have similar exits and entrances. When one leaves a junction, there are 25 high-powered traffic route lights on both sides of the road, covering a quarter of a mile. I have also considered the situation in America. There are more traffic route lights on the M1 than there are on any interstate highway in the US. Maybe this is the requisite standard, but there is an inconsistency on the M7 and M8 in terms of the lighting at junctions. Is there a standard and is it based on a European or British standard?

There are in excess of 500 high-powered traffic route lights. This level is not necessary. There are CO2 emissions because more electricity is needed. I travel the motorways often. Many of the lights in question do not light for a considerable period. This is something we should consider in the interests of saving money. Anyone using the junctions at night has his or her lights on anyway. We could do without 75% of the road lights for one hour in the morning and one hour in the evening, for example, from 4.30 a.m. or 5 a.m. to 6 a.m. This would mean reviewing the contacts or time switches, but a significant saving could be made in terms of electricity. I do not know whether the Department or the Minister shares my opinion, but there is an inconsistency. I can say this without fear of contradiction. One need only consider how the junctions on the M8, M7 and M1 are not lit the same way. Some access junctions have 40 high-powered lights. I contend that they are not required. Perhaps we should consider engaging in an exercise on this matter, although maybe I should not have raised it today.

Chairman: Does the Minister wish to comment?

Deputy Leo Varadkar: I am not sure what the story is with the standards. I am sure there are, given that there are detailed standards for everything in road building. It may be that the standards changed at a certain time, leading to an inconsistency. I will check it out.

The Senator and I may have corresponded on this matter previously. There is technology that allows the lights to know when a car is approaching and they can turn on when there is traffic and off when there is none. However, I am unsure of whether this technology has been deployed yet. It would bring energy savings.

Senator Terry Brennan: Would it be the same for every town and city? At one hour per day across 10,000 lights, what is it costing our local authorities and the Department? We should investigate a more efficient set-up.

Chairman: I thank Senator Brennan. I also thank the Minister and his officials for outlining the issues that will arise next week. It is important that we be kept up to date. We will suspend for a couple of minutes to invite the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte.

Sitting suspended at 10.59 a.m. and resumed at 11.07 a.m.

EU Telecommunications and Energy Councils: Minister for Communications, Energy and Natural Resources

Chairman: The purpose of this meeting is to engage with the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, on the forthcoming meetings of the EU Council of Telecommunications and Energy Ministers. On behalf of the committee, I welcome the Minister and his officials. I will skip the housekeeping rules on defamation because I think we are all aware of them at this stage and there will be no problems in that regard. I invite the Minister to make his opening statement.

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): I am glad to appear before the committee. We can leave the defamation to the weekend. I do not think we need to go over that here. I welcome the opportunity to discuss the forthcoming Telecommunications and Energy Councils on 6 and 9 June, respectively.

I will begin by dealing with the Telecommunications Council. I understand the committee already has a copy of the draft agenda and I understand COREPER is expected to finalise an agreed agenda later today. The Hellenic Presidency will provide the Council with a progress report on the proposal on a single telecoms market, also known as the connected continent package. There will also be a progress report and orientation debate on the Commission proposal on the network and information security directive, which deals with the very topical and important issue of cyber security. Under the any other business part of the agenda, the Presidency will provide the Council with information on the files relating to the digital agenda scoreboard, electronic identification and trust services for electronic transactions, measures to reduce the costs of deploying high-speed electronic communications networks and accessibility to public sector bodies' websites. Since the last Telecommunications Council in December, the Hellenic Presidency has overseen agreement being reached on both the regulation on electronic identification and trust services and the directive relating to broadband cost reduction. Both of these

legislative proposals have also been signed off by Parliament.

The directive on accessibility to public sector bodies' websites has not been discussed in any detail since the Irish Presidency and it is expected that the incoming Italian Presidency will begin a re-examination of this proposal. No discussion or debate is anticipated on these issues. There will be a lunchtime discussion devoted to the issue of Internet governance.

The Commission's connected continent package was proposed in September 2013 as a further measure to achieve a move towards a single market for electronic communications. It has provoked a widespread and strong reaction across the full range of players in the EU telecommunications market. This was the subject of a political debate at last December's Ministerial Council meeting where the vast majority of member states raised concerns regarding various aspects of the proposals, including the lack of consultation by the Commission prior to drafting.

The Greek Presidency initiated an indepth examination of the proposals in March last at Council working group level. The working group is still only involved in a first reading of the full text and progress to date has been laborious. A number of key concerns have emerged, many of which mirror concerns outlined by my officials when they briefed this committee on the proposal in October last year. In its contribution to date on the Council working group discussions, Ireland has highlighted its concerns regarding the overall thrust of the package and focused in particular on the need to safeguard national competence in critical policy areas such as spectrum, which, as we have previously outlined to the committee, we see as a valuable and strategically vital piece of national infrastructure. As of now, the Presidency does not intend to have a debate on this measure at Council.

The network and information security directive relates to cyber security and proposes that member states be required to adopt national network information security strategies, designate national competent authorities and establish computer emergency response teams, CERTs. It sets out standardised procedures for dealing with the increasingly sensitive area of cyber security and proposes an enabling power for the Commission to specify mandatory reporting obligations in relation to security breaches on public administrations and on critical infrastructure operators. While the Hellenic Presidency has proposed a debate on this proposal at Council, it has not as yet indicated the orientation of the debate and has not framed any specific questions to help guide the discussion. It is likely that the debate will focus on outstanding areas of concern in order to allow the incoming Italian Presidency accelerate the examination of this proposal.

In principle, this proposal is to be welcomed from an Irish perspective. We are seeking clarifications on the precise scope of the directive and we want to ensure that all relevant market participants are included within the scope of this directive, including those in the public sector. One concern we share with a number of other like-minded member states is that the operational co-operation through the proposed co-operation mechanism is too ambitious given the different levels of capability that exist in individual member states. Operational co-operation, involving the provision and sharing of sensitive operational information between member states is best facilitated through trust and confidence building measures.

At Council, I will reiterate that Ireland would favour a regime of voluntary reporting of cyber incidents as opposed to the mandatory reporting envisaged in the proposal. There is concern that a mandatory approach could amount to a compliance oriented approach by industry with a focus to merely report what is legally necessary with adverse implications for existing voluntary arrangements. It could also result in a regulatory burden with implications for the competitiveness of European industry. Improving member states' capacity to effectively deal

with network security is essential for a secure digital single market and we will continue to contribute to the discussions on this directive at the Council working group to ensure the final directive is best suited to achieve this objective.

The Presidency proposes to hold a lunchtime debate on Internet governance. Internet governance has long been taken to mean the setting of rules and principles that govern the operation of the Internet. In recent years, the debate has become more politicised and contested, due mainly to the growing centrality of the Internet in the daily economic, cultural and political lives of citizens. Earlier this year, the European Commission published a communication on Internet policy principles, which reflects the Commission's growing interest in this area and its belief that an EU position is required. Considerable work has already been done in this area by bodies such as the OECD, the Council of Europe and the EU, and much can be learned from what already exists and has been agreed by member states. Ireland has and will continue to maintain a strong line on the pressing need to preserve a free and open Internet. As Internet governance encompasses a wide range of subjects, including content, data protection, intellectual property law and network security, it is important that all relevant stakeholders are brought on board at a national and EU level.

Chairman: I thank the Minister for his opening statement.

Deputy Michael Moynihan: One would want to have a degree to understand the technicalities of the Internet and so on. I have a couple of questions for the Minister in relation to Internet safety. The Minister will be aware of the committee's report in this area. One of the issues flagged during our discussions on this issue was that of international law in this area. Perhaps the Minister will say if issues such as cyber bullying and so on are on the table for discussion by the Council.

The Minister referred to the directive in relation to broadband, which is a major issue for parts of Ireland. Perhaps he would elaborate further on what is contained in that directive and on progress in relation to Internet governance. The committee when drawing up its report identified a gap in this area in the context of Irish law versus international law. Are there proposals at EU level to address this issue?

Deputy Pat Rabbitte: The discussion to which Deputy Moynihan refers will be a lunchtime discussion of the type which almost always occurs following a Council of Ministers meeting and focuses on a particular subject. In this particular instance, the subject is that of Internet governance. In my view, we are a long way from being able to define trans-European law on the issue of Internet governance. We have an Internet content governance advisory council chaired by Dr. Brian O'Neill of the Dublin Institute of Technology, the report of which is due to be submitted this month. That report will be published. Up to now, it has been the disposition of Europe to leave this to domestic sovereign law. However, as the Deputy said there are issues that arise that are common to pretty much every country in the world. The advisory group, which comprises a number of specialists under the chairmanship of Dr. Brian O'Neill, is the first place to which I would look for new guidance on this issue. It has the repository of knowledge and experience required and understands the international literature and European experience. I will publish the report. I do not have the freedom to say that he and the group may be willing to present to this committee but I suspect because the man has been so generous with his time and in doing this job *pro bono* - it is his field - he may be willing to do so. That might be helpful after the committee gets a chance to read his report. As Deputy Moynihan has stated, apart from the issues of concern to the European Union, there are more local and domestic matters related to the question, which concerns parents, teachers and others.

Chairman: We would welcome that if he was available.

Deputy Michael Moynihan: Have we competency in national law? Are the laws introduced to the Statute Book for the State good enough for this Internet area? Should there be something at international level?

Deputy Pat Rabbitte: The reason I asked Dr. O'Neill six months ago to chair this group of experts was precisely to give us up to date guidance on that. I am a bit sceptical about our ability to give expression in law to measures in this area and it would have to be very carefully evaluated. If there were simple answers to this, other countries would have produced them by now. There are no simple answers and sometimes very simplistic answers are put forward, including by some of our own profession, sparking dramatic headlines and all the rest. Implementing these processes is much more challenging in the world of the Internet today.

Deputy Noel Harrington: I thank the Minister for the presentation. One element discussed is the reduction of cost in deploying high-speed electronic communications networks. In light of the announcement made recently regarding bringing fibre to communities throughout the country, will there be implications arising from what we are discussing today; could it help the initiative or is there the possibility that it will delay us because we must agree this before we decide to achieve what we want in rolling out fibre to different communities throughout the country?

Will the Minister flesh out the voluntary versus mandatory position on the reporting of cyber incidents? I do not know if it is related but we heard last week about the global eBay issue and surely there should be some reporting of minor incidents that always seem to occur. Will the Minister outline why he is taking the voluntary course of action rather than a mandatory approach? There are to be computer emergency response teams, like cyber SWAT teams, to deal with some of these issues. It is the right concept if we can get our heads around it. The matter of trust in networks is a big issue so why are we adopting a voluntary approach?

Deputy Pat Rabbitte: The short answer to the first question is that the discussion will be helpful in what we are seeking to do here. We would like to think that many of the measures we highlighted in the broadband task force presaged much of the debate happening now in Europe. We brought together the main players in the industry with Department officials, chaired by me, with the regulator and representatives of Forfás also present. We highlighted a number of measures and it was the first time the industry chief stated that we had this kind of sustained engagement about Ireland's needs regarding quality connectivity. A number of the issues highlighted, such as the better leveraging of State assets to facilitate the roll-out of broadband, constitute exactly the kind of approach being used in this debate in Europe.

The Deputy is right in his second question as we must comply with state aid rules. The broadband plan acknowledges that the commercial sector is not going to be able to provide the kind of quality connectivity that rural Ireland is entitled to and the State must intervene but that can only happen once it complies with state aid and competition rules, etc. As I told the committee before, that involves a very detailed and painstaking mapping exercise now well under way for presentation to Europe. We have had an enthusiastic response because of a decision to roll out fibre, notwithstanding the additional investment that will inevitably be involved. European Commission people see that as a solution that is future-proofed, and solutions we thought of before pale in comparison. We have no way around this and we must go through the state aids process, etc. We are well on the way in preparing for that.

The issues are remarkably similar, especially for countries where large geographic tracts of the country have low density population. It is all right if a person operates in an entirely urban society but where there is low-density population throughout large tracts of a country like Ireland, others encounter the same problems as us.

Chairman: Are energy issues to be addressed?

Deputy Pat Rabbitte: I intend to do so, if the Chairman so wishes.

Chairman: We can continue the questions in that case, as members may not have realised that.

Deputy Michael Colreavy: I thank the Minister for coming. Progress to date has been laborious, and that is probably an understatement. It is difficult to see how anything has happened and whose interests are being protected in this approach. Is it the interests of companies or people who use telecoms? Has any initiative been taken to get companies talking to each other, as that will ultimately be required? It would be frustrating to attend a meeting with effectively no agenda, no identified issues and where questions will not be addressed and no discussion, effectively, will be had. I call into question the purpose of the meeting. What can the Minister do to ensure more progress in the area?

Is it in order to refer to the Minister's letter to the committee from 19 March regarding the Energy Council meeting in Brussels on 4 March 2014?

Chairman: Of course. I presume it is.

Deputy Michael Colreavy: I am very concerned that from the correspondence dated 19 March, following the Energy Council meeting on 4 March, it appears that the meeting was more concerned with the well-being of energy companies than with the interests of energy consumers. Second, I am concerned that a couple of references to fracking on page 2-----

Deputy Pat Rabbitte: I do not wish to interrupt Deputy Colreavy but we are talking about two different Councils. I am happy to deal with the Deputy's first question. I will take his energy question under the Energy Council, but they are two separate meetings.

Deputy Michael Colreavy: Is it on the agenda for today, Chairman?

Deputy Pat Rabbitte: It is, but I understood it was sequential.

Chairman: The issue is the forthcoming meeting. It is telecommunications initially and if there are other issues afterwards, we can get to it.

Deputy Pat Rabbitte: On the telecommunications side, this proposal from the Commission, called the "Connected Continent: Building a Telecoms Single Market", is a package that emerged as recently as September last year. It is phenomenally complex, very comprehensive and, from the point of view of the Commissioner, Neelie Kroes, deserves urgent attention. It is not fair to say there is not an agenda. There is very much an agenda and a focus, but the issues thrown up are of great complexity, given the variations in different member states and the different considerations that we would have ourselves. Indeed, I believe the committee received a presentation on this from my officials shortly after the publication of the report and the committee members noted an opinion after that in which they expressed reservations.

Without committing myself to it in full, they are reservations that we would broadly agree

with. For example, as I said in my introductory remarks, we regard the issue of spectrum as a public good and a national resource. We regard spectrum as strategically vital and that we ought to maintain as much sovereign direction over it as we can. The last tranche of spectrum auctioned a little over a year ago resulted in a very healthy interest by the big players in the market and an investment of some €855 million, which I take to be a vote of confidence in the economy for the future. It was very significant. I am all in favour of co-ordination and so forth of spectrum policy as well as every other policy within a Single Market and a Union, but I believe we should make haste slowly and protect our national interests to ensure that they are not eroded in any way.

Apart from that, the reason for the laborious progress is that the working group must tease through a measure such as this in line-by-line detail. Given the divergences within the Union at present, the different perspectives and the view of the sector itself, it is inevitable that progress would be slow. We are all in favour of some aspects of it. For example, Germany and the United Kingdom have latterly suggested that we might consider abstracting out some of the elements, but the attitude of the Commissioner to date is that it is a package, as she sees it, and we must consider it in its totality. There are welcome aspects. The committee would welcome the changes that are imminent in roaming charges from 1 July, for example. They are quite significant in terms of the decreases for consumers and so forth.

Chairman: You are correct in your interpretation. We did have a reasoned opinion and if progress is laborious, it is good in some instances if it threatens our national interest should other decisions be taken. That would be the Deputy's feeling as well.

Deputy Michael Colreavy: Of course, but my question remains. What is the anticipated outcome of the meeting on 6 June?

Deputy Pat Rabbitte: The heavy lifting on this is being done by the working group. There is a working group of people who have expertise in the area. As Deputy Moynihan said earlier, we cannot all have masters degrees in the high tech aspect of some of these decisions and so forth. That is the reason we retain experts to guide us. The heavy lifting will be done by the working group, but there will be a progress report by the Presidency. I have not seen that progress report yet, but there will be one and we will discuss it. There are some good things in this package that I would like to see progressed, but there are some matters in it that raise quite profound and fundamental questions. They are questions on which we would have to make haste slowly, and I will say that.

Deputy Michael Colreavy: It is a progress report.

Deputy Pat Rabbitte: Yes.

Chairman: We will move on to the Energy Council.

Deputy Pat Rabbitte: The Energy Council will be held on 13 June. We have made the agenda available to the committee. It includes completion of the Internal Market in energy, international energy relations and, in particular, the value of multilateral frameworks to promote climate and energy policy goals. To outline the context, the recent informal meeting of energy Ministers which I attended in Athens on 15 and 16 May provided an opportunity for Ministers to discuss the following: energy security; fuel import dependency; completion of the internal energy market; the southern gas corridor; construction of the necessary infrastructure and interconnections, including projects of common interest; development of indigenous resources,

including renewables and energy efficiency; a level playing field with regard to third countries; a strong external dimension with member states speaking with one voice; diversification of routes and sources for gas; continued efforts towards decarbonisation, that is, the 2050 roadmap and 2030 framework; and consistency between energy security and the 2030 framework policies that are mutually reinforcing. A good deal of this has been prompted by the Ukraine crisis and the implications of that for energy security. Ministers also considered the issue of financing energy efficiency, financing projects of common interest, PCIs, and governance under the climate and energy 2030 framework.

As I mentioned earlier the Energy Council will be held on 13 June. Ministers will consider a report on the completion of the internal energy market by 2014 and discuss the value of multilateral frameworks to promote climate and energy policy.

With regard to the European Council meeting on 26 and 27 June, the focus of discussion is expected to be on energy and security, and the Commission's expected European energy security strategy. A comprehensive plan for reducing energy dependency is a key issue which has arisen because of the situation in Ukraine. I understand that this strategy is due to be adopted today. In this regard, discussion will also focus on new routes, including potential new discoveries in the eastern Mediterranean. In addition, there will be discussion on Poland's proposal for an energy union which stresses the importance of investment in energy connectors. The Council will take stock of progress made on 2030 framework for climate and energy with a view to adopting a final decision at the October European Council.

Chairman: I thank the Minister.

Deputy Michael Moynihan: I wish to refer to a couple of issues. I ask the Minister to explain what is proposed and has been spoken about in terms of projects of common interest.

The issue of energy security has also been brought into focus. Perhaps I misunderstood, but there was some indication, to me, that there might be a discussion at one of these meetings regarding hydraulic fracturing, or fracking. I am not sure whether that is the case, but if it is, then I ask the Minister to outline what has been said across Europe on the matter. In certain parts of the country the issue is very important. Deputy Colreavy will be more familiar with it, but there is great concern about fracking in Clare and Leitrim.

Deputy Fergus O'Dowd: The Minister can talk about what is happening with fracking in Europe, but I can only comment about Ireland.

Deputy Pat Rabbitte: PCIs are projects of common interest. In terms of the policy objective of realising the completion of the internal energy market, a great deal of it has to do with network codes and such issues, but obviously the physical infrastructure is important. If all of the legal regulatory and other work can be done in respect of concluding the objective of an internal energy market, we then have to get on with the business of how to connect the continent and the member states in terms of physical infrastructure. There is an amount of finance available under the recent budgetary conclusions for the financing of, or financial assistance with, projects of common interest between member states and so on.

The North-South interconnector between Meath and Tyrone has been designated a project of common interest. That is an example of what I am talking about. Whether it will qualify for funding is a separate issue, but it is a project of common interest. Let me give another example. If we were building the interconnector again between Wales and north Dublin, that would be

the kind of thing that is envisaged in terms of the Deputy's question on what are the projects of common interest. There are much larger physical interconnector projects in other countries and between member states. In terms of the domestic scene, I have given the best example that I can give to the Deputy.

When we held the Presidency of the Council of the European Union, at our informal energy Council in Dublin, we put on the agenda the issue of unconventional gas and oil and other technologies. Since then, there has been a debate going on in the European Union about the issue. The Commission has issues and some thoughts on it, mainly from the point of view of the competitiveness implications of what has happened in the United States. The price of gas in the United States has dropped dramatically, and obviously that has implications for European industry and competitiveness. There is no prescription being handed down. A number of member states are doing what we are doing here, as the Minister of State, Deputy O'Dowd, will tell the committee, in terms of asking our Environmental Protection Agency to carry out a thorough examination of the technology and its safety and assess whether there are environmental risks and all of that kind of thing. We have managed to put together and provide a great deal of money to carry out the study, which is under way. I am sure the Minister of State will answer any particular questions that Members may have.

Deputy Michael Colreavy: As regards projects of common interest, I understand that all of these questions are with regard to security of supply, competitiveness of costs, streamlining operations and all that sort of stuff. Sometimes it seems to me that the focus is not on the consumers - the people who use the energy. It seems to me to be more about support for companies than protecting the right to an affordable supply for customers. Does the Minister think the debate needs to be adjusted? Is there any mechanism for member states to work with the EU in getting supports to develop the potential for energy independence?

I will focus again on costs from the consumers' perspective. Is there enough debate on such costs at Commission level? Is there more we could and should be doing about the matter?

Finally, I will comment on fracking. The perceived wisdom is that because there is fracking in the United States, the price of gas has fallen. However, that was largely accidental. What operates in the States is, I am afraid, a large Ponzi scheme. They have to drill more wells in order to recover the initial investment made.

A letter dated 19 March and signed by the Minister was included in the minutes of the meeting. Having read it, I am concerned that hydraulic fracturing was addressed as a normal option. Where I come from, fracking is not normal. He said that the State had invested a good bit of money in the EPA and was carrying out a study on the environmental and unquantified or other impacts of hydraulic fracturing. To my mind, that study should not be going on. It is a self-evident truth that the landscape in Fermanagh, Leitrim, Clare, Sligo and Donegal will be an industrial wasteland if we allow fracking to go ahead. We should be exploring every option other than hydraulic fracturing. Frankly, it is an outrageous abuse of taxpayers' money that we are getting the EPA to carry out the study. It is the same as the Government considering whether the maternity services should be consultant-led in Sligo regional hospital. It is a question that should not be considered.

Deputy Pat Rabbitte: Is there too much focus on the needs of companies in respect of energy as compared to the focus on consumers? There is a reasonable balance. It is important that small and large energy users have access to energy as competitively priced as they can source because they give employment. Wearing their other hats, consumers are workers in these com-

panies and it would be damaging to employment if there was not emphasis on competitively priced energy for industry and for companies. I agree with Deputy Michael Colreavy that we must bring available instruments to bear to ensure energy is as competitively priced for consumers as can be. That is more difficult in a country that imports 96% of its gas and 100% of its oil. There is so much we can do and are doing. This morning, I opened an Engineers Ireland seminar and workshop on performance contracting. The impetus we have given to developing a new retrofit industry, stemming from the new efficiency fund where up to €70 million is available for exemplar projects with the engineers of Ireland meeting today to discuss the implementation of it, means there can be considerable savings in energy costs as a result. It is a question of balance. Consumers' consumption is determined by their income and employment and if they do not have jobs in companies they will not be able to consume a great deal. There must be a balance. The thrust of policy is towards the completion of the internal market and it is a two-way street. Where there is interconnectivity and quality infrastructure, there is better security of supply and there is also an impact on prices. It is a two-way street. We have seen this in respect of the interconnector's first year operating between Britain and Ireland. It may not be an ongoing situation but where we import energy, it brings downwards pressure on prices in the domestic market and that is a good thing.

I cannot agree with Deputy Colreavy with regard to wasting taxpayers' money because the EPA is doing a definitive study on hydraulic fracturing. The EPA is acknowledged to be an independent expert professional agency whose integrity is not questioned and it is imperative we get the best advice available. At different stages of history, new technologies have emerged that initially frightened people or in respect of which people had concerns. In the case of hydraulic fracturing, as articulated by Deputy Michael Colreavy, citizens have concerns about environmental implications and it is absolutely the duty of Government to ensure the concerns of people are examined by the best professional advice we have available. I do not know what will be in the report of the EPA but I am sure it will stand up to scrutiny when it emerges. In the interim, there is no fracking going on in this country. It is bad enough listening to complaints about things that are going on in the country and I do not think we should be imagining complaints. No fracking is going on and we will have a definitive scientific study. When available, it will be published and I am sure the committee will go into it in detail.

Deputy Michael Colreavy: It does not address the point made about Government correspondence, signed by the Minister, which is normalising fracking. Where I come from, fracking is not normal and will never be regarded as normal. Will the EPA report measure the level of public resistance, should there be any attempt to introduce fracking in the north west? Does the Minister know the area? Has he seen it? Can he envisage the area, even if there is no threat to health, with 100 lorries transporting water to fracking sites up and down the narrow roads of beautiful north Leitrim?

Deputy Helen McEntee: My apologies for arriving late. The Minister has touched on projects of common interest, PCIs, and funding. Who decides on that and what are the criteria? Cost has been a major factor in respect of the EirGrid North-South interconnector. They are trying to do it as cheaply as possible so that it does not appear on people's energy bills. Will the fact that the project has not gone ahead, and is costing money every year, help us in that respect? What are the criteria and who decides on it?

Chairman: We should be conscious that we are talking about the Council meeting. We have a debate on energy policy and the Green Paper next week, with the Minister and his officials appearing at our meeting.

Deputy Pat Rabbitte: If Deputy Michael Colreavy permits me, I will answer the question of Deputy McEntee first as she must leave the meeting. I have described the projects of common interest in the lingo of the Union. Each member state puts forward what it thinks are projects that qualify as projects of common interest. Then, the battle takes place to access funding. Even when it is designated a project of common interest, it does not automatically follow that every member state gets funding for every project. That would very soon exhaust the resources available. A committee meets in Brussels and we have national representative on it. It goes through the projects and the process, with the committee going through the criteria that ought to apply. We do not yet know what will come out of it in the end but work is under way. A person from my Department is on the committee.

With regard to Deputy Colreavy's question, there is not a week of the year that we or the sector are not engaged in the evolution of new technology and new innovation in terms of the energy landscape. We are heading down the road towards smart metering, for example. New innovations in terms of energy efficiency and storage are being worked on. Technology is developing all the time.

I do not think one could say from the discussion at European level on hydraulic fracturing so far that it is regarded as normal. Member states come to it with totally different perspectives. Several member states, like ourselves, are engaged in detailed studies of the issue. It is an area in which one needs to know the science as well.

Defoliation in a scenic area like that from which the Deputy comes is an entirely different matter but I repeat there is no fracking going on in this country currently. All we are doing is using the expertise available to the State to give us best advice on what is the position. I would have to disagree with the Deputy on his description of what is going on in the United States inasmuch as I am not challenging whether there is discomfiture among some communities about hydraulic fracturing but I am talking about its economic impact in the United States. If Commissioner Oettinger was here rather than me, he would say that as European Union Commissioner for Energy, this has competitiveness implications for Europe and that he cannot avoid it.

In regard to what we are doing, I will read the following to the Deputy. Such an assessment would entail consideration of the potential impacts of the project on population, fauna, flora, soil, water, air, climatic factors, material assets, including the architectural and archaeological heritage, landscape and the interrelationship between the above factors. I think the Deputy will agree that is a pretty succinct but none the less comprehensive review.

On the Deputy's question about whether I can tell what size the protests will be, I cannot do that but the Deputy can see from the-----

Deputy Michael Colreavy: The Minister should not dismiss or misinterpret what I said. I said the EPA study will not incorporate the level of resistance there will be at local level to these proposals. I live there, my family lives there and I hope my children and grandchildren will live there. The EPA study will not take into account the impact on the daily lives of people who live in and love that region. That is the point I was making and not the volume of resistance or the number of people on the picket line. People live in and love that area.

As soon as the EPA report comes out, I will propose a special meeting of the committee in a conference room in Manorhamilton so that members will be able to see for themselves the area about which we are talking and in which we are going to cut open the earth.

Deputy Pat Rabbitte: I am not dismissing anything. The Deputy is dismissing the planning process. Suppose we had the EPA study and it said the technology is perfectly safe, a developer came along and there was a project. It would have to go through the whole environmental impact assessment, including the impact on human life and the human impact. The hoops that have to be jumped through are extremely rigorous and demanding. I have no wish to do anything other than preserve the natural beauty of the area in which the Deputy is fortunate to live, and he knows that. All I am saying to him is that it is my duty to take the expert advice available to me in preparation for European Council meetings where issues come up on the agenda and where we need to put an Irish perspective. I have explained in Europe that we are not engaged in any hydraulic fracturing and that we are doing a professional scientific study on the safety of the technology and its environmental impacts and so on. That is all I am saying.

Deputy Michael Colreavy: The letter the Minister wrote adds a normalcy to hydraulic fracturing which it does not deserve and his Department needs to be conscious of that.

Deputy Pat Rabbitte: I think the Department is extraordinarily sensitive in respect of this debate and that we have proceeded with great caution. The Government which preceded this one approved some very basic desk top studies, and no more than that. There has not been any fracking. We are engaged in examination and the environmental impact assessment which accompanies this measures the social impact as well as the environmental fall-out and so on. I would have confidence in the agencies of the State and in their independence and integrity in terms of assessing this.

A debate is going on in Europe whether the Deputy likes it or not. There are member states in which Ministers will argue that shale gas is a big advance in terms of meeting their climate targets and so on rather than reliance on dirty coal. If one talks to the Polish Minister, he will have a different view from that which I expressed. One can go through the member states and different member states have different views on it. I do not think the Deputy is advising me to step aside from the debate.

Deputy Michael Colreavy: No. What I am saying is that if the planning process is to be followed as normal, we would not be considering hydraulic fracturing in an area where one cannot get permission to build a family home because a septic tank might damage the water.

Chairman: The points have been well made. Obviously, we will revisit this issue. I have been in Manorhamilton many times and I have no problem going there again. I thank the Minister and his officials for briefing us on the Council meeting. I look forward to the debate on the Green Paper on energy next week.

The joint committee adjourned at 12.10 p.m. until 10.45 a.m. on Wednesday, 4 June 2014.