

CHECK AGAINST DELIVERY

“Brexit, Ireland and Europe at 27”



■ **SIMON COVENEY**

Tánaiste (Irish Deputy Prime Minister and Minister for Foreign Affairs and Trade), address to Institut Jacques Delors, Maison de la Chimie, Paris, 15 March 2019.

It's certainly an interesting and important week for an Irish Foreign Minister to be speaking with our friends in Paris. Like us in Ireland, I know you have all been following closely developments in London.

Brexit has certainly brought home the need to speak out clearly about the real effects and benefits of membership of the EU. And the Jacques Delors Institute plays an important role promoting broader

understanding of what the European Union really is, and the changes affecting Europe.

Brexit has been a particular challenge for Ireland given the nature and complexity of our relationship with the United Kingdom. It is no accident that the strengthened trust and close friendship between us, where we are co-guarantors of peace on our islands, coincided with the period

of our common membership of the European Union.

From economy and trade, to education and research, through to the Northern Ireland peace process, the European Union has positively impacted our relationship with the United Kingdom in all areas.

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TEXT THE EUROPEAN UNION HAS POSITIVELY IMPACTED OUR RELATIONSHIP WITH THE UNITED KINGDOM IN ALL AREAS.

This is why we view the impact of Brexit – especially a hard Brexit – with such concern.

This is also why the Withdrawal Agreement is of such importance. It represents the best way, the only way, to ensure an orderly withdrawal by the United Kingdom.

However, events this week underscore how fluid the situation in Westminster continues to be.

We profoundly regret the outcome of Tuesday's vote, rejecting the Withdrawal Agreement.

Subsequent votes have underlined Westminster's wish to avoid a no deal outcome. We share their determination on this.

However, Prime Minister May was right in her statement on Tuesday.

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Choices are required and Westminster needs to make clear decisions, however difficult politically. That is the nature of such a profound change in a country's direction – brought about by a decision to leave their home of over forty years.

On the European Union side we have done all that is possible to reach an agreement. As President Juncker said in Strasbourg on Monday, this is it. We cannot go any further. To do so would fundamentally undermine the European Union and Ireland's core interests: to protect the peace process and to protect our Single Market.

Time is very short, but I believe that there is still time enough for sensible solutions.

The wider uncertainty does mean, however, that we all must continue to intensify our preparations for a no deal Brexit. Brexit will have negative consequences in all scenarios, but we are determined to be as ready as we can. In this, we are again working in tandem with our fellow Member States, including France.

Backstop. I would like to say a few words about the so-called

backstop for Northern Ireland included in the withdrawal agreement.

From the outset, protecting the peace process, and the Good Friday Agreement, has been a key priority for Ireland.

Throughout the negotiations there has been strong understanding from our partners in the European Union of the need to address the unique circumstances on the island of Ireland.

North-South economic and social cooperation benefits people across the island. It has supported the development of an all-island economy, enhancing the prosperity of all.

It has underscored the peace process and the Good Friday Agreement. North and South, we have felt the benefits of this peace, in particular, through the open and invisible border that currently exists between Ireland and Northern Ireland.

The backstop acts as an insurance policy, to ensure that this is not lost following Brexit. It protects the Good Friday Agreement, and the development of North-South economic and social cooperation that has benefited people across the island.

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past, that the majority of businesses, farmers and political parties in Northern Ireland support the backstop.

That said, we hope it will never need to be used. We would like to see a broad, deep future relationship agreed with the United Kingdom, that will mean the backstop will not be needed. We share the European Union's commitment to explore alternative arrangements so that the backstop is never used, or would only apply temporarily if it ever needs to be used.

Ireland did not want Brexit, but we respect the decision of the British people. We have come to terms with the fact that the United Kingdom is leaving. But we certainly do not want a disorderly Brexit.

Ireland will be staying at the heart of the European Union. It is our home. We will work to construct a new and positive relationship between the European Union and the United Kingdom, and we will build a strong and prosperous European Union.

Ironically, the soon-to-be departed British were among the principal architects of the Union's greatest achievement, the Single Market. They brought their free trade philosophy to the Union and helped create the tariff and barrier free access we enjoy today – which they have put in jeopardy for themselves by voting to leave.

We tend to forget that the creation of the single currency was part and parcel of the Single Market project, making it even easier to do business

across the continent and helping to simplify the complicated administration of Common Agricultural Policy payments. No one has done more than Jacques Delors to complete the Single Market but, sadly, no one has received more abuse from the British tabloid newspapers for doing so.

Progress has been made in recent years in the delivery of a Banking Union and a Capital Markets Union, both of which will go a long way – once complete – in addressing shortcomings in the original design of the single currency. Likewise, we have made great progress in delivering the Digital Single Market.

Next week, the European Council will have an in-depth discussion on the Single Market ahead of preparations for the Union's Strategic Agenda for the next five years.

The Single Market has been the key driver behind our global competitiveness and it has delivered impressive results: robust growth, more jobs and higher welfare. Our new Strategic Agenda needs to ensure the Single Market continues to deliver for businesses, consumers, workers and citizens.

All of our policies should be fit for the digital era. We need to encourage the innovation that will allow European companies, especially small and medium enterprises and start-ups to scale-up and succeed in the global market.

But our fragmented services market is hampering productivity.

Services cost 11% more in the EU than in the United States.

Since 2008 growth in services in the US has risen by 82%; the figure across Europe is just 47%. At the same time, productivity in the European manufacturing sector has grown three times faster than in the European services sector.

This is happening at a time when the manufacturing and services sectors are becoming increasingly intertwined since the manufacturing sector is relying increasingly on services as inputs.

Full implementation of the Services Directive would add 2% to the European Union's GDP. But the full potential of the Single Market in services is bigger again. A recent report by Copenhagen Economics has found that the cost of doing nothing about this is growing from year to year.

We need to catch up here with the United States and China. And we have an opportunity next week, at the European Council, to start shaping an agenda which will help us deliver the levels of growth and prosperity our citizens want – by re-committing to the completion of the Single Market in services.

Growth and prosperity are important because they help us to deliver the social Europe our citizens expect.

When we conducted our citizens' dialogues in Ireland last year on the future of Europe, we found that the participants were eager to engage on a wide variety of issues. No one has put more energy into formulating

ideas for the renewal of Europe than the President of the French Republic, Emmanuel Macron.

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The proposals he made in newspapers across Europe earlier this month are built around three pillars, namely freedom, protection and progress. These are concepts which resonate with Europeans everywhere.

In Ireland, participants in our citizens' dialogues told us they want to be part of a Union that lives up to its values.

But there are alarming signs that our values are under some internal pressure in some Member States. Ireland, like France, believes in standing up for these values and in pressing others to do the same – in a respectful and well-informed, but still firm way.

Jacques Delors famously said that "Europe needs a soul" and I believe we can find its soul by honouring the values enshrined in the Treaties: democracy, the rule of law, and a society where pluralism and tolerance prevail. Ireland, like France and every other Member State, is bound by these commitments. The Union is founded on these values and respect for them is legally binding.

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Our values can never be "optional extras". I am convinced that the best way we can resist the populist temptation is to hold our politicians, especially those running for election to the European Parliament, to account, and to demand of them nothing short



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After Brexit, France will be Ireland's closest neighbour inside the European Union. We have longstanding political, cultural and economic ties. In October, Ireland became an Observer at la francophonie and tonight, I will be meeting the Minister for European Affairs, Nathalie Loiseau, to reiterate our thanks for the solidarity France has shown on Brexit. Minister Loiseau went as far as visiting the border herself, and there will be much on the broader European agenda for us to explore this evening.

Over the past 12 months I have also met the Minister for Foreign Affairs Jean-Yves Le Drian on numerous occasions in Paris, Brussels and Dublin to look at ways in which we can work even closer together to develop a common understanding of the challenges we face – such as the Middle East Peace Process, and a new political partnership between

Europe and Africa that is worthy of its name.

Jean-Yves and I also have a shared interest in seeing the Celtic Interconnector become a reality. If built, the Celtic Interconnector will allow the movement of electricity between Ireland and France and, not surprisingly, the European Commission has designated it a Project of Common Interest. Jean-Yves and I certainly see it as a Project of Common Interest since it will involve, by coincidence, running a 600 kilometre cable across the sea between my county, Cork, and his region, Brittany.

There are many reasons for making it happen but, when it comes to fruition, I hope it will also be a tangible witness to a new spirit of cooperation between France and Ireland, and evidence of the benefits that can be shared through membership of the European Union.

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