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## **Speech by the Taoiseach Mr. Enda Kenny T.D. at the Opening of EIB Dublin Office, Friday 9 December 2016, 12.30pm**

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I'd like to start by welcoming EIB President Dr Hoyer, EIB Vice-Presidents Jonathan Taylor and Andrew McDowell, Ministers, Ambassadors and other distinguished guests.

I am delighted to join you here this afternoon for this official inauguration of the new Dublin office of the European Investment Bank Group.

Today's establishment of a permanent presence in Dublin is an important milestone for Ireland and the EIB. I'd like to personally welcome home Mr. Cormac Murphy who will be heading up the new office.

The strengthening of the relationship between Ireland and the EIB is particularly important at this critical time in our recovery. It is accepted that as our national finances continue to recover and our economy grows stronger that the Government and companies based in Ireland will need to focus more on capital investment in the years ahead.

This is essential to keep Ireland competitive, to create the conditions for new jobs and investment, and to provide the type of services our people need.

The EIB will have a significant role to play in helping to finance many of these new investments.

As the 'EU Bank', the EIB is the largest international public bank and the largest non-state borrower in the world, with a lending footprint around double that of the World Bank.

It also has almost 60 years' experience in project finance to which Ireland will now have a direct channel of access, including national and local authorities, and individual companies.

### ***Ireland and the EIB***

Ireland's relationship with the EIB is already a strong one. When both the Irish banks and the Government were locked out of the international capital markets, EIB support remained active, with total lending of around €3.3 billion between 2011 and 2015.

Key projects supported during this difficult time included Dublin Port, Dublin Airport Terminal 2, and LUAS Cross City.

In more recent times I'm delighted to see finance agreements with many Irish institutions that will support among other things new university research buildings, new primary health care centres, new schools, road projects, and business projects.

To take this relationship to the next level we have established an 'EIB – Ireland Financing Group', the first meeting of which took place earlier this morning chaired by Minister Noonan.

### ***EU Investment Plan***

The new European Fund for Strategic Investments (EFSI) will now provide a strong foundation for the next phase of the EIB relationship with Ireland, building from the experience it has gained in tackling investment bottlenecks across Europe.

We should expect to see a stronger EIB footprint in areas such as direct lending to mid-size businesses and infrastructure projects that don't benefit from a sovereign guarantee.

This week's agreement by Finance Ministers on the legislative proposal to strengthen and extend EFSI is therefore very welcome, and hopefully the negotiations with Parliament can be concluded quickly.

The role of an enhanced EFSI in mobilising a stronger pipeline of SME finance will be particularly significant for Ireland, including in the context of the unique challenges we face on foot of the UK decision to leave the EU.

### ***Brexit***

Some of these challenges, such as the potential economic impacts, we share with our fellow EU partners – but many will be unique to Ireland, given the strong economic links between the UK and Ireland, Northern Ireland and the Common Travel Area.

We should not forget the EU's vital contribution to achieving and underpinning peace and stability on the island of Ireland.

For many years, it has provided an invaluable framework within which Britain and Ireland were able to engage as equals, and to agree to share sovereignty in certain areas.

It has also contributed to the peace process through PEACE and INTERREG funding, a process that still needs support as we strive to overcome the remaining divisions and to realise a truly reconciled society.

It will be important therefore to ensure that the eventual outcome of the Brexit negotiations protects, rather than damages, the invaluable progress that has been achieved.

Our preparations have been ongoing for some time now and work is progressing across all Government Departments to further deepen our risk analysis and to scope out priority issues in the key areas in advance of the negotiations. Of course, there are many details that remain to be clarified by our British friends, including the fundamental question of what type of new relationship with the EU they will seek.

It is important to state that Ireland is and will remain a proud and committed EU Member State, and that we will be very much part of the EU team when the negotiations start.

It is my intention, as a member of the European Council, to work with our EU partners with a view to addressing our shared challenges, and resolving our own unique issues.

We very much hope that the negotiations will lead to a new relationship with the UK that will be close, strong and constructive.

### ***Conclusion***

It is against the backdrop of an outlook characterised by significant uncertainty that today's official inauguration of the new EIB office in Dublin is particularly welcome. We can look forward with confidence to a further stepping up of the EIB-Ireland relationship over the period ahead. Let me hand over now to Ministers Noonan and Donohoe who will be leading on this work.

**ENDS**