
Dáil Statements on Brexit - Department of Foreign Affairs and Trade

[Speech](#)

Minister Coveney - 26/9/17

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Opening Statement

Minister for Foreign Affairs and Trade

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Thank You Ceann Comhairle.

I welcome this two-day debate on Brexit. It is an issue that deserves the attention of this House given the unprecedented economic, political and diplomatic challenges it poses for Ireland. The Oireachtas is playing a central role in furthering the public debate on Brexit and the implications for Ireland. The address by Michel Barnier to the joint Houses last May and Guy Verhofstadt's exchange with the joint committees last week were important milestones and provided a positive contribution to our work. We need to continue and intensify this work in the coming weeks and months.

Ceann Comhairle,

The Brexit negotiations are entering a critical and more intensive stage. Issues unique to Ireland - protecting the Good Friday Agreement and the gains of the peace process, avoiding a hard border, and maintaining the Common Travel Area - are at the heart of these negotiations. This is the result of a sustained political and diplomatic effort which has won us the support and understanding of our EU partners.

Sufficient progress must be made on these Irish-specific issues, as well as on the questions of citizens' rights and the UK's financial liabilities, before second-phase negotiations can begin on the framework for the future EU-UK relationship. This sequencing - agreed between the two sides - is about building confidence and trust. It is about laying the foundations for building the future.

With the exception of Irish-specific issues, the economic and other sectoral issues of most interest to Ireland will not be addressed until the second phase. This makes it particularly important that the conditions for moving to that phase are met. It will be for the European Council to decide that sufficient progress has been achieved.

In this regard, the speech last week by Prime Minister May - and particularly the constructive tone of her remarks - was welcome. We were pleased to note the Prime Minister's commitment to protecting the Good Friday Agreement and the Common Travel Area and to avoiding any physical infrastructure at the border. The pledge to seek transition arrangements for Brexit - and the acknowledgement that business should only have to plan for one set of changes in the UK-EU relationship - was also very welcome. A status quo arrangement which would see the UK remain a member of the Single Market and Customs Union during this transition, with the associated rights and obligations, would be sensible and would provide much-needed clarity for businesses on the island of Ireland, as well as in Britain. It may well prove necessary for the UK to seek a longer transition phase than the two-years suggested by Prime Minister May, considering the amount of work involved in preparing adequately for Brexit, but this was a useful update on UK thinking nonetheless.

The broader UK position - and the worthy aspirations I've mentioned - now need to be translated into firm commitments across the negotiating table in Brussels. I hope that real progress can be made in the next two rounds of the negotiations so that we can move into the second phase next month. But this very much depends on the UK and its willingness to move forward on the exit issues.

To be clear: there is no demand or expectation that these issues be settled before phase two. But they have to be advanced.

As Minister for Foreign Affairs and Trade with special responsibility for Brexit, I am coordinating the whole-of-Government response to the significant challenges that arise for Ireland. In this capacity, I am working closely with colleagues across Government with policy responsibility in relevant areas in order to assist affected sectors and regions in dealing with the many challenges resulting from Brexit.

This co-operation also involves the appropriate State Agencies.

As part of this coordination role, I am also stepping up the overall strategic oversight of Brexit-related measures being implemented across Government. This will involve building upon the extensive cross-Government research, analysis and consultation with stakeholders that has already been carried out, as well as ensuring a coordinated approach that facilitates the early identification of potential synergies across Government.

New inter-departmental coordination mechanisms are currently being put in place to reflect the enhanced responsibility of the Department of Foreign Affairs and Trade in this regard.

Ensuring that Ireland's interests are reflected in the EU's approach to the ongoing EU-UK negotiations is a central dimension of Ireland's strategic response to Brexit. In this regard, our overriding objective is to work with our EU27 partners to achieve the closest possible relationship between the EU and the UK. The closer we come to this objective, the fewer negative consequences for Ireland and for specific sectors.

Since the referendum last year, we have prepared extensively to ensure that our priority issues - namely protecting the gains of the peace process and the Good Friday Agreement, maintaining the Common Travel Area, minimising the impact on our economy, and a strong future for the EU itself - are advanced to the maximum extent possible.

There have been three rounds of negotiations to date, with the fourth round taking place this week. As this is the first phase of negotiations, and in line with the agreed sequencing, the focus has been on the withdrawal issues of citizens' rights, the financial settlement, other more technical "separation" issues and issues unique to Ireland. Both the EU and UK have used these early rounds of negotiations to clarify their respective positions, highlighting the areas of agreement and divergence.

Discussions on several issues have been reasonably constructive to date, with some progress being made in the areas of citizens' rights and the other separation issues. However, it is clear that many difficult and complex issues remain, above all with regard to the financial settlement. It is in this area that the least amount of progress has been made. The UK has accepted that it will have financial obligations to honour on its departure and the position set out by Prime Minister May in her speech last Friday will hopefully help to advance the issue. The EU's position is also very clear. Intensive work is now required around the negotiating table in Brussels in order to find convergence between these two positions.

The Chief EU Negotiator, Michel Barnier, and his Taskforce are well prepared for these negotiations, based both on the European Council Guidelines and the more detailed negotiating directives agreed in the Spring. This is in addition to the extensive and ongoing consultations they are holding with the 27 EU Member States.

We are appreciative of the level of support that both the Taskforce and our EU partners have shown for Ireland's unique concerns, with Mr Barnier reiterating after his meeting with me on 4 September that Ireland's interests are the EU's interests. I have been working very closely with Mr Barnier and his team, as have officials from the Department of Foreign Affairs and Trade, to ensure that Ireland's positions are fully reflected in the negotiations and we will continue to engage closely with them in the weeks and months ahead.

Ceann Comhairle,

On the Irish-specific issues, the High-Level Dialogue between the UK and EU teams is making some headway. Good progress has been made on the Common Travel Area. There is a common objective to protect the gains of the peace process and the Good Friday Agreement in all its parts and, while some progress is being made on this, a lot more work is required. This is to ensure the full implications of the UK's decision to leave the EU are understood, including on important, tangible areas that affect daily lives on this island, including in terms of North-South cooperation.

In the last round of negotiations which concluded on 31 August, the UK presented its paper on Ireland and Northern Ireland. While the publication of this paper is welcome, the UK's aspirations and statements of principle need to be backed by substantive commitments and clear links to workable solutions by the UK.

The Government welcomes and supports the Taskforce's paper on the "Guiding Principles for the dialogue on Ireland/Northern Ireland" on 7 September. This paper builds on the European Council Guidelines agreed earlier this year and reflects the priority Irish issues identified by the Government. It also sets out the principles on which solutions will have to be based. The EU will now seek to agree these principles with the UK as the basis for the future discussions on detailed solutions. We will continue to work closely with Mr Barnier and his team to advance Ireland's concerns in these negotiations.

Ceann Comhairle,

Beyond the negotiating process, the Government's overall response to Brexit will continue to be structured around five principal pillars:

- sustainable fiscal policies to ensure capacity to absorb and respond to economic shocks, not least from Brexit;
- policies to make Irish enterprise more diverse and resilient, to diversify trade and investment patterns, and to strengthen competitiveness;
- prioritising policy measures and dedicating resources to protect jobs and businesses in the sectors and regions most affected by Brexit;
- realising economic opportunities arising from Brexit, and helping businesses adjust to any new logistical or trade barriers arising;
- making a strong case at EU level that Ireland will require support that recognises where Brexit represents a serious disturbance to the Irish economy.

Policy decisions in support of these objectives will arise across a wide range of policy areas and will continue to fall within the direct responsibility of other Government colleagues, including the annual budgetary process; the forthcoming National Planning Framework 2040; the new 10-year National Capital Plan; the Review of Enterprise 2025 Policy, and sectoral policies and investment decisions in areas such as agriculture, enterprise, transport, communications and energy.

Engagement with stakeholders here in Ireland is of course a key priority. I have already convened a new Brexit Stakeholders Forum, which met for the first time on 13 September. This Forum brings together the voices of business, unions, state agencies, political parties and leading experts who have an important contribution to make in helping to shape the Government's response to Brexit, both in terms of the EU-UK negotiations and the Government's economic response.

I am also looking forward to convening the third plenary session of the All-Island Civic Dialogue this Thursday. This dialogue has proven invaluable in hearing the voice of civic society and business from all four corners of the island and has helped shape the Government's approach to Brexit.

The third plenary session will provide participants with an update on the ongoing EU negotiations, including the all-island aspects, and will consider how both businesses and communities can prepare for Brexit.

I will also be continuing the Government's intensive programme of engagement with EU partners, and with the UK, with a view to ensuring that Ireland's priorities and concerns in the EU-UK negotiations are fully understood. This engagement, together with the Government's engagement with other international partners, is also aimed at supporting our trade diversification efforts, and our efforts to realise the economic opportunities arising from Brexit. This includes working closely with Minister Harris and Minister Donoghue on Ireland's bids to bring the European Medicines Agency and the European Banking Authority to Dublin.

Ceann Comhairle,

All these efforts have a clear purpose: the protection of the gains of the peace process, including avoiding a hard border; an orderly UK withdrawal; a sufficiently long and non-disruptive transition arrangement; and the closest possible EU-UK future relationship, including in trade, which minimises to the greatest extent possible the impact on the Irish economy. This is about the well-being of our people and country. I will be unrelenting in seeking to ensure that this is defended.

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