

Speech by Commissioner Phil Hogan at Seanad Eireann

Leinster House, Dublin

23rd June 2015

Check Against Delivery –

- A Chathaoirligh agus a Sheanadóirí,
- I am delighted to be here among friends today. I am course a former Member of this House, so it is always a pleasure to return here to engage with Senators, some of whom of course are former colleagues of mine. I cut my political teeth here as a young Senator between 1987-1989 and I would like to think that some of the skills I learnt and the friendships I made in this esteemed House served me well in subsequent years.
- I would like to play tribute to your work as legislators, and also to highlight the important role you play in scrutinising EU legislation.
- As a politician, I believe that the more the EU institutions engage with and listen to national parliaments, the healthier it is for the functioning of the EU and the body politic as a whole. I am glad to say that President Juncker has made this a priority of the new more political Commission.
- As a result, I have visited nearly a dozen parliaments on my visits to national capitals and everywhere I go, I am glad to receive feedback and insights from the politicians who are on the ground, dealing with the realities of agricultural politics. Of course the issues are as rich and varied as Europe itself, from the vineyards

and olive groves of Southern Europe to the reindeer farms of the north, and not to forget our own cattle marts!

- I believe both Houses of the Oireachtas can and should work even more closely with European Institutions.
- The Danish system for EU scrutiny could serve as one example worthy of closer study, and I know that members of this Parliament have done so in the past.
- Often, the much maligned “EU red tape” is produced in national capitals. This occurs at the implementation phase of lawmaking. Such red tape, which causes unnecessary administrative burden for citizens and businesses, is often the main cause of scepticism and misunderstanding of what the EU is about. There is much debate about the role and function of the Seanad currently. I believe that one very strong role the Seanad could play is as a “red tape clearing house”. In other words, when a new EU law is being implemented in Ireland, Senators could scrutinise every provision and ensure that no more than what is necessary is included in the implementation phase. Ministers and senior civil servants should increasingly come to this House and account for any provisions which are not included in the original EU directive. I am aware that the committee on EU Scrutiny already plays such a role, but nevertheless I think with the specialist skills in the Seanad, this House could provide a new leadership and focus on ensuring that EU laws are fairly and proportionately implemented on the ground in Ireland. I would welcome your feedback on this point.

(Ireland and the EU)

- Ladies and gentlemen, Irish citizens remain highly committed to the EU as a recent RED C poll showed.
- This is remarkable, given the trying political and economic climate of recent years. But it is also indicative of what my Commission colleague Pierre Moscovici, on his recent visit to Dublin, described

as the "atmosphere of hope and renewal that we all now sense here, after years of difficult but necessary reforms".

- Most members of the electorate acknowledge and appreciate the benefits from EU membership, recognising that the pros of membership strongly outweigh the cons.
- EU membership was the catalyst for large-scale infrastructural investment, comprehensive environmental protection, for enhanced regional development, as well as a host of legal and policy improvements across the political and social spectrum.
- Access to the EU Single Market and its 500 million consumers has been an immense boon to Ireland's export-oriented economy, and the potential for further growth is immense.
- As an island, being part of a Union with free movement of goods, persons, services and capital has transformed our horizons and opened up new opportunities for Irish people right across Europe – in business, in education and in many other spheres.
- Ireland also continues to benefit from a multitude of European investment programmes and supports.
- The EU budget for the next 6 years will continue to benefit Irish agriculture, regional and infrastructural investment, research, technology and innovation, entrepreneurship and support for SMEs, energy efficiency, education, training and labour activation measures.
- But it hasn't all been one-way traffic. Since going to Brussels I have become very conscious of the appreciation that there is of the very meaningful contribution that this country has made, be it via our participation in peace-keeping missions, the pioneering work done by many Irish Commissioners, MEPs, officials, and the widely recognised success of numerous Irish EU Presidencies.

- **Joining the "European family" also brought us out of our shells as a nation, gradually injecting a new dynamism and confidence in our international outlook.**
- Leveraging the European platform has also given us a stronger voice in the world. **Through this interdependence, our own independence has been enhanced.**
- And, due in no small part to a strategic, sensible and intelligent engagement with Europe during a time of unprecedented economic difficulty, Ireland has begun a strong recovery, and one that has been at the top of the European charts in terms of the economic growth rate, rising employment, and increasing foreign direct investment in the past two years.
- But much work remains to be to restore growth, job creation and social cohesion across the Member States.

(Priorities of the current European Commission)

- The current European Commission took office at a most challenging moment in European history.
- With unemployment - particularly among the young - at catastrophic levels in many Member States, and investment flatlining, the new Juncker Commission hit the ground running. We resolved to do whatever we could, to make a difference.
- The collective goal has been to act decisively, and quickly, to provide hope for European citizens and water the green shoots of recovery.
- We are now focusing our energies on cutting red tape and lightening the regulatory burden to enhance competitiveness. But we are being prudent and selective too.

- We have delivered a radical €315 billion investment package to support investments in infrastructure including broadband, energy networks, and transport and renewable energy.
- We have an ambitious Digital Single Market strategy designed to create the conditions for a vibrant digital economy and for a European Energy Union to underpin energy supply security and to further integrate national energy markets.
- I am particularly conscious of the need to ensure we retain a competitive tax structure for business and workers in Europe in order to make the EU attractive for third country investors
- **And I would like to take this opportunity to commend the tremendous service done by the captain and crew of the LE Eithne as part of the European humanitarian operations. I echo the sentiments of the Taoiseach who put it so well when he said that Commander Pearse O'Donnell and his crew embody this country's "extraordinary humanitarian personality".**
- Senators, I believe the Commission's new Work Programme will make an immediate difference for jobs, growth and investment to the benefits of all of the EU's citizens in 2015, with large-scale projects starting to come on stream by September.
- And I am naturally delighted that **the €70 million investment in 14 primary care centres here was among the first tranche of projects under the "Juncker Plan" and** Ireland was amongst the first four member states to draw down finance from the EIB under the Plan. This investment will see top quality new healthcare facilities being built here in the immediate time ahead.
- The introduction of a greater degree of flexibility in the Stability and Growth Pact will also help strengthen the link between structural reforms and investment in support of jobs and growth.

- I want to assure you too that the Commission's role is to support Ireland in making the ongoing recovery as broad-based and durable as possible. By promoting co-ordination with and between Member States, we can help to avoid the mistakes of the past. **But it will only work with strong ownership by national governments and national parliaments.**
- Debates and discussions on important topics such as the European Semester in Joint Oireachtas Committees are therefore very welcome. I would encourage you to continue to build on this engagement.
- **As for the social dimension in our work I am delighted that** my colleague Commissioner Thyssen has fast-tracked funding for the Youth Guarantee, so that programmes to help young people who are out of work can get started quickly, and last week we announced a new fund providing finance for micro-entrepreneurs and for social enterprises.
- That is why we have moved quickly to build-in more flexibility to the Stability and Growth pact.
- And why we have moved to get the investment programme up and running quickly.
- We do not believe that economic and social policies are separate domains – they must run hand in hand and reinforce one another. We have to ensure that economic growth is widely shared, that our young people can find jobs, and that when you lose your job, you get all the help possible to find a new one.
- We have to put the emphasis in all our policies at all levels in getting more people of all ages into the workforce. To do this, we need to strike a balance between flexible and secure labour contracts; avoid the divide between "insiders" with high protection and wages and "outsiders"; shift taxes away from labour; deliver tailored support to allow the unemployed to re-

enter the labour market and improve educational opportunities and promote lifelong learning.

- Beyond labour markets, it is important to ensure that every citizen has access to an adequate education and that an effective social protection system is in place to protect the most vulnerable in society, including a 'social protection floor'.
- Our populations are ageing rapidly and we still need major reforms to ensure that pension and healthcare systems can cope with this societal shift. These reforms will include aligning the age of retirement with current life expectancy, something which is already happening in Ireland.
- Yesterday, President Juncker outlined his vision to secure the long term success of Economic and Monetary Union. This includes a push for a stronger integration of national labour markets, by facilitating mobility across both geographic and professional spectrums, including through better recognition of qualifications and better coordination of social security systems.

(Role of Agriculture in Economic Recovery)

- Agriculture will also have a key role to play. As Commissioner I am visiting every EU Member State in the initial part of my term, to listen and learn from Europe's farming community. but also to deliver the message that the European agri-food sector can be a vital driver of job creation and growth. It is important to convey this message not just in the marts and the farmyards, but to urban audiences as well. It is crucial that awareness of the role and importance of agriculture spreads from our rural areas to our towns and cities, from the farmyard to the schoolyard.
- I know I am preaching to the converted here in Ireland on the importance of the agri-food sector. The agri-food sector has

arguably contributed more than any other to Irish economic recovery, with 61,000 new agriculture, forestry and fisheries jobs created in 2013 alone.

- With the CAP now reformed and more market-oriented, the changing international context provides a wealth of opportunities for forward-thinking farmers and agri-businesses.
- Global demand for high-quality traceable food and drink will continue to increase, particularly in emerging markets.
- Every year until 2030, at least 150 million people will be entering the global middle class. This massive growth in disposable income will result in significant changes to dietary patterns. For example: global demand for dairy products is predicted to increase by an annual rate of 2%, and with the recent end of milk quotas, Irish farmers should be very well placed to capitalize on that opportunity.
- However, I am aware of the fears surrounding short term volatility in the milk sector. 2014, after all, was a year which saw record prices and production as good weather, combined with the ramping up of production ahead of the end of milk quotas, led to bouyant output. However, the medium to long term trend is positive, as the figures don't lie - the growing global middle class will continue to demand more dairy products and Ireland is ideally placed to feed that demand.
- With regard to the future, I want ambitious and entrepreneurial Europeans, particularly younger citizens, to view the agri-food sector as an attractive career prospect. The reformed CAP provides many incentives encouraging young and new farmers to enter the sector, while our committed pursuit of new markets will open new opportunities to be grasped.
- However, we cannot lose sight of the environmental imperatives underpinning these changes.

- That's why "sustainable intensification" will be driven by research, collaboration, innovation and – of course - investment.
- There is €3.6bn available at EU level between now and 2020 to fund synergies between Agriculture and Research, via Horizon 2020 and the European Innovation Partnership for "Agricultural Productivity and Sustainability". Co-operation projects will involve farmers and foresters together with other food chain actors and researchers.
- As a recent Irish-led example, the Teagasc project LANDMARK was selected for funding following the first Horizon 2020 calls for proposal funding. It specialises in soil management and was selected by experts as the best proposal submitted in the Soil Function category.
- Concrete innovation projects can also be funded under the Rural Development Programmes. I am glad to note that Ireland has decided to take up the EIB approach in its Rural Development Programme, co-financed under the new CAP.
- Also, in order to support the significant on-farm investment required for farmers and agri-businesses to make these changes, I have been working with the European Investment Bank to tailor a Fund offering cheap finance over a 12-15 year horizon to farmers wishing to upgrade and expand their production.
- This is a time of unprecedented challenges, but also unprecedented opportunities, for the agri-food sector, and I urge all members of this house to provide every support to Irish farmers in the coming months. I would also like to pay tribute to the Senate's comprehensive report on farm safety, which was published last month.

- I know you will share my conviction that Irish farmers and agribusinesses, leveraging national and EU policy and investment instruments, can do great things in the coming years.

(Grexit & Brexit)

- Many of our European neighbours currently have a more complex set of relationships with the EU, a fact it behoves us to address in a thoughtful, proactive manner. It is critical that this house, as a representative body of Irish democracy, deals with these questions comprehensively.
- In Greece, as you are aware, too many citizens are still suffering the economic and social consequences of their difficult national situation. The Commission is playing its part in attempting to resolve the impasse, and the steadfast commitment among EU institutions is to find solutions for Greece within the European family, and within our common European currency.
- **Meanwhile, there is also the question of a certain island not far from this one.** The question of the UK's relationship to Europe hasn't gone away, you know! And with the clock now ticking to an inevitable in/out referendum, decision-makers in Brussels and Dublin must begin shaping their message.
- From the European point of view, President Juncker said earlier this month that he believes Prime Minister Cameron "wants to dock his country permanently to Europe". **This is an attitude I believe all Irish citizens can and must endorse.**
- But as an avowedly pro-European nation on the one hand, and as the UK's closest trading partner and ally on the other, striking the right balance is imperative. We must find the correct tone and timbre of the appeal that we as a nation, ultimately make to our neighbours.

- This country has an extraordinary recent experience of how a positive campaign, which appeals to the better nature and fair play of citizens, can deliver positive results. This is the very approach I expect will be employed at every level of Irish society. **And there's no time to waste: the eyes of Europe are watching, and the approach Ireland takes will be studied closely.**

(Conclusion)

- Ireland's European journey has taken some unexpected turns, and even some challenging off-road paths, but the direction has remained constant. I believe Irish citizens recognise that this small, dynamic and outward-looking nation still has much to gain from being a prominent member of a Europe continually striving for a more perfect union.
- The electoral choices made in Ireland are also studied keenly in Europe and the brave and inclusive decision to democratically endorse marriage equality last month was widely hailed.
- **The positive and hopeful message of this popular vote reverberated around every European capital. That's why it** would be remiss of me while here not to pay tribute to the work done by all the Senators who played such a crucial role in the campaign, across all parties and none, for their particular dedication and hard work in this regard.
- I am more confident than ever that our nation's destiny will remain firmly intertwined with the destiny of the EU. This House has a central role to play in shaping that destiny, and I look forward to working with you as we rise to this challenge with purpose and pride.

