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An Comhchoiste um Ghnóthaí Eorpacha

Tuarascáil maidir le
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An Bhruiséil 27-28 Meán Fómhair 2010

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Houses of the Oireachtas
Joint Committee on European Affairs

Report of the
Study Visit to the EU Institutions
Brussels 27-28 September 2010

December 2010

Joint Committee on European Affairs

Study Visit to the EU Institutions Brussels, 27-28 September 2010

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Joint Committee on European Affairs

Study Visit to the EU Institutions Brussels, 27-28 September 2010

A delegation of the Joint Committee on European Affairs visited the EU Institutions in Brussels on 27-28 September 2010. The purpose of the visit was to discuss with leading members of the European Commission and the European Parliament a range of EU policy issues and challenges including the current economic situation, enhanced EU economic governance, the Europe 2020 Strategy for Growth and Jobs, reform of the EU Single Market, reform of the Common Fisheries Policy (CFP), the future of the Common Agriculture Policy (CAP), relations between national parliaments and the EU institutions and external relations issues.

The delegation was led by Deputy Bernard Durkan, Chairman of the Joint Committee, and also included Deputies Timmy Dooley (Vice-Chairman), Sean Barrett and Joanna Tuffy. The delegation was also accompanied by Minister of State for European Affairs, Dick Roche TD, for part of the programme. The delegation would like to thank all those whom the delegation met for giving their time generously as well as officials in the Permanent Representation, the Commission and the European Parliament for assisting with the preparation of the programme. The programme for the visit is set out in the Appendix to this report.

The delegation met with four Commissioners, senior Commission officials, and members of the European Parliament, including the Vice-President of the Parliament responsible for relations with National Parliaments. Ireland's Permanent Representative to the EU, the Deputy Permanent Representative and Ambassador to the EU's Political and Security Committee, together with Departmental Attachés, provided a wide-ranging and detailed briefing to the delegation on the main items on the EU's agenda and Ireland's priorities. Unfortunately, due to a strike by Belgium Air traffic controllers, the delegation was forced to cancel meetings on the afternoon of Tuesday, 28 September with the Commissioner for Inter-Institutional Relations and officials from the Directorate-General for Taxation and Customs Union.

Briefing by Ireland's Permanent Representation to the EU

4. The Deputy Permanent Representative, Geraldine Byrne-Nason, opened the briefing with an outline of the **Europe 2020 Strategy** which was agreed by the European Council in June and the implementation of which is viewed as the EU's key policy for stimulating economic recovery and job creation. The Deputy Permanent Representative explained that the Europe 2020 Strategy is not simply the Lisbon Strategy rebooted as the European Council has taken direct political control of the implementation of strategy and the achievement of the headline goals. The new strategy has more robust governance procedures compared with its predecessor. The Strategy is now entering its second phase – engagement and surveillance. The Commission is in discussions with Ireland on the preparation of the national reform programme which will set out Ireland's indicators for achieving the strategy's headline goals domestically taking account of Ireland's economic growth scenario.

The national reform programme will set out how bottle necks and obstacles to structural reform in Ireland will be overcome. Ireland is already very close to achieving some of the headline goals, such as targets relating to education, but more effort will be required with regard to other goals, such as spending on research and development. The first draft of Ireland's national reform programme will be submitted to the Commission on 12 November 2010.

5. The Permanent Representative, Rory Montgomery, briefed the delegation on the EU's response to the **economic crisis** and ongoing discussions on proposals to enhance the **EU's economic governance and reform of the Stability and Growth Pact**. The Commission will make detailed proposals on reforming the Stability and Growth Pact which will maintain targets for debt (60 per cent of Gross Domestic Product (GDP)) and deficits (3 per cent) but will respond to calls that these targets need to be policed better. The proposals will also involve monitoring of macro-economic competitiveness indicators. [Commissioner Rehn subsequently published his legislative proposals on 29 September]. The Member States have different views on how far the new rules should go with Germany looking for substantial and automatic sanctions for offending Member States while France and Italy support more flexibility and less automaticity. There is also differing views on voting arrangements in regard to a decision to impose sanctions. There is agreement, however, that the proposed new sanctions will not be retroactive and therefore would not apply to Member States, including Ireland, who are currently the subject of an excessive deficit procedure, so long as they are moving back towards balance. There would instead be a transitional period with the new rules applying from 2014.

6. On Ireland's excessive deficit procedure, the Permanent Representative said that there is a growing view in the Commission that the current plans to cut the deficit to 3 per cent by 2014 are not sufficiently specific and are based on excessively optimistic economic growth predictions for Ireland. The priorities for Ireland in the Commission's view are the need to repair the banking system and fiscal consolidation. In response to a question from the delegation, the Permanent Representative said that there has been, inevitably, an effect on Ireland's economic reputation within the EU but there is also respect for the tough budgetary decisions which have been taken.

7. Turning to the **EU Budget** and the financial perspectives post-2013, the Permanent Representative said that negotiations on agreeing the 2011 budget will be difficult, especially between the Council and the European Parliament, not least as new procedures exist in this area since the entry into force of the Lisbon Treaty. The Commission will be coming forward with its Budget Review soon and is expected to make its financial perspectives proposal towards the summer of 2011. Most Member States would not support an increase in the EU budget given that national budgets are being significantly reduced but the European Parliament is likely to have a different position. The four main areas of funding will continue to be External Development Assistance, CAP, Innovation and Research and Structural Funds. Ireland's biggest priority will be CAP but we would also like to see greater resources for innovation and research. On CAP, Ireland will insist on maintaining direct payments based on the historical model. Any move towards an equal area system for deciding payments under CAP could significantly reduce the amount of funding Ireland would receive.

Ireland currently receives more funding per head under CAP than any other Member State.

8. In response to questions from the delegation, the various departmental attachés addressed a number of issues including EU support for employment creation, renewable energy sources and research and development. On **employment**, the delegation was informed that Ireland is doing quite well in securing funding under the European Social Fund and the European Globalisation Adjustment Fund which seek to support re-training and re-activation programmes for the unemployed. The Commission is also expected to publish shortly a flagship initiative under the Europe 2020 Strategy entitled ‘New Skills New Jobs’. The 2020 Strategy’s headline goal for employment is 75 per cent of European workers in work by 2020. Ireland has currently 60.1 per cent of workers employed, down from 73 per cent in 2008. It will be a challenge to achieve the Europe 2020 target. However, there is a need to show the Commission that there is a plan to create new jobs as part of Ireland’s national reform programme.

9. In relation to **energy security**, the delegation was informed that the Commission will present a communication on energy in October or November which will focus on putting in place supporting policies to encourage the use of two sources of renewable energy: wind in Northern Europe and solar in Southern Europe. The Commission will also present its Energy Infrastructure Package in November with the aim of creating more inter-connecting projects, the ultimate objective being the establishment of a European super-grid. As planning is a national competency, the likelihood is that the Commission will offer guidelines to Member States to assist with ensuring that key infrastructure projects for renewable energy production are not unduly delayed.

10. On **research and development**, the delegation was pointed to the Commission EU 2020 flagship initiative on an Innovation Union which is due to be published on 6 October. This initiative will be very broad but one of its main objectives is to encourage the pooling of research resources and the creation of innovation partnerships. It will seek to establish more Joint Programmes among the Member States. The headline goal under the EU 2020 for spending research & development is 3 per cent of GDP. Ireland currently spends around 1.6 per cent of its GDP on research & development. Despite the current financial situation, 3 per cent will remain the target but there is no timeframe. The objective is to have 1 per cent of GDP from public spending matched with 2 per cent from private investment. The EU is continuing to support investment through its Framework Programme on research (FP7) which is providing over €600 million in funding. The mid-term review of FP7 is due shortly which will inform the priorities for the next Framework Programme (FP8) from 2013. The focus of FP8 is likely to be on supporting Joint Programmes and the pooling of resources. This will present a challenge for smaller Member States like Ireland in securing funding as the focus in these Member States is more on individual projects.

11. The delegation also had a brief exchange with Ireland’s representative to the EU’s Political and Security Committee (PSC), Keith McBean, on a number of foreign and security policy issues. On the EU’s capacity for **rapid response to humanitarian crisis**, Ambassador McBean said that the EU acknowledged that there were lessons to

be learnt from the Haiti earthquake disaster but it must also be recognised that due to geography, it was natural that the US would take on a bigger planning role. The PSC is considering how the EU's Battle Groups (the Irish Defence Forces are part of Nordic Battle Group) could be used for crisis response to humanitarian disasters. The key term is 'flexibility and usability'. Ireland is in favour of using the Battle Groups as a resource for rapid reaction crisis response. However, military resources are limited to planning and logistics in the immediate aftermath of a disaster with the focus shifting to humanitarian aid and development at which point other agencies and Non-Governmental Organisations would have more expertise. There was also a brief discussion on the Middle East Peace Process and the proposed ratification of the EU-Serbia Stabilisation and Association Agreement. On the later, Ambassador McBean confirmed that the Council will be considering Serbia's application for EU membership in November/December with a view to seeking an opinion from the Commission on Serbia's suitability for EU candidate status.

Meeting with Commissioner Olli Rehn: Economic & Monetary Affairs

12. The Commissioner focused on two main issues: measures to improve the EU's economic governance and the **economic situation in Ireland**. On the latter, he said that the Commission is in close and regular contact with the Government as well as with market forces. He said that Ireland is taking the right steps which he acknowledged are hard politically. Ireland has strong credibility in the market but there are big concerns about the Irish banking sector. This coupled with weaker economic growth then predicted can mean that confidence and credibility evaporates quickly. For its part, the Commission will do all it can to protect the credibility of the Irish economy as well as Irish politics.

13. In response to comments by the delegation, the Commission said that the main focus of the Commission is stability in the eurozone as well as economic recovery and sustainability. Therefore, Ireland is a concern. The main priorities for the Government should be to clarify the cost in relation to Anglo-Irish and the banking system more generally and to set out its plan more explicitly on how it will bring Ireland's deficit down to 3 per cent by 2014. The EU is supporting the Government in this effort, in particular through the European Central Bank's support for Irish bonds. However, it was the Commissioner's opinion that in order to raise more revenue Ireland would have to become a normal tax economy and could not retain the current low tax economy model. Of course the EU's financial stability mechanism is available as the last line of defence but the Commissioner is convinced that once the right decisions continue to be made Ireland will not need the support of this facility.

14. On enhancing **EU economic governance**, the Commissioner informed the delegation that he would be presenting his legislative package on 29 September aimed at reinforcing the Stability and Growth Pact and putting in place a real system of enforcement. The financial crisis has shown real weaknesses in the EU's monetary system which had be allowed to develop. There was quite clearly a failure in financial regulation and the Commissioner welcomed the recent agreement on the establishment of three new European supervisory authorities for the financial services sector and the systematic risks broad which should be able to identify and tackle emerging macro-economic imbalances at a much earlier stage. The Commissioner agreed that there is a need for better regulation of rating agencies and is concerned as

they seem to react more to market sentiment rather than objectively assessing the fundamentals.

15. On the Stability and Growth Pact, the Commissioner said that he would be proposing that sanctions against offending Member States are introduced earlier in the process before any damage is done to the system. The imposition of sanctions would also be semi-automatic with a system of reverse Qualified Majority Voting: a Commission proposal to impose sanctions would be automatic unless the Council votes to veto the Commission's proposal. This should ensure that larger Member State cannot play with the rules and water down the Stability and Growth Pact which happened in the past and undermined the Stability and Growth Pact. The main problem with the EU is that it has a strong monetary union but a weak economic union. The Commissioner said that it was time that the EU has a true and genuine economic union.

Working lunch with Commissioner Máire Geoghegan-Quinn: Research, Innovation & Science

16. Commissioner Geoghegan-Quinn briefed the delegation on her proposals for an '**Innovation Union**', one of the main flagship initiatives under the Europe 2020 Strategy, which she will publish on 6 October. One of the main aims of the initiative will be to tackle the fragmentation and duplication in Europe's Research & Development sector by encouraging more pooling of research through research partnerships. It is also important that the EU facilitates the bringing of good ideas to the market. Currently, Europe has the highest proportion of patents but is failing to bring these new products to the market which means that employment opportunities are lost. One way the EU can help is to agree a Community patent. However, the lack of funding is also an obstacle. There is seed money available but not enough venture capital. The Commission is working with the European Investment Bank to make funding available for the research and marketing of new ideas, both in terms of products and services. The idea is to use this money to leverage more private investment. For every €1 put in by the EU, a further €14 is leveraged. In addition, research infrastructure is being supported by the EU's structural funds.

17. The Commissioner also referred to other measures which should help to create the Innovation Union. These include completing the European Research Area and agreement on the EU's 'blue card' in order to attract top talent from outside the EU to support the research & development sector. The Framework Programme for research (FP7) is also playing its part in providing funding for researchers. However, the administration of the Framework Programme 7 needs to be simplified and in this regard the Commissioner asked for support for her efforts to amend the tolerable risk of error in terms of accounting procedures from the current 2 per cent to 2.5 per cent. This added flexibility will mean less paper work for businesses and researchers which is currently an obstacle for many in applying to the EU for financial support. In relation to the upcoming negotiations on the EU budget, the Commissioner asked that the current level of commitment for research & development and innovation is maintained. She is convinced that this funding coupled with the right policy frameworks can be a new source of economic growth. It is estimated that it could contribute between 3 and 4.5 per cent in economic growth, creating over 3 million jobs in the EU.

Meeting with Mr. Tomas Dupla del Moral, DG External Relations: Briefing on Middle East Peace Process and EU-Israel Association Agreement

18. Mr. Dupla del Moral said that there are five clear ways through which the EU is supporting the **Middle East Peace Process**: (i) EU has made clear the basic principles on which the peace agreement should be based, last outlined explicitly in the Foreign Affairs Council Declaration of December 2009. EU is clear that settlements are illegal and are an obstacle to peace; (ii) Assistance to defuse pressure coming from an isolated Gaza by assisting Israel in eliminating border closures and encouraging cooperation with Palestinian Authority. The EU stands ready to help on the ground through an observation mission; (iii) the EU is working through quartet which offers restatements of principles and reassurances to facilitate talks; (iv) EU provides assistance to the Palestinian Authority so that it can carry out the functions of a state, undertake institution building and run a budget with a manageable deficit; and (v) EU continues to manage relations on both sides.

19. The restoration of direct talks between Israel and the Palestinians has been met by scepticism on all sides. There has been a clear statement from Prime Minister Netanyahu that the moratorium on settlement building would not be extended. However, the fact that President Abbas has still not walked away from the talks in a positive signal. Abbas will refer the issue to the Arab League on 4 October in order to test their intentions. There might be some mediation led by the US on the issue but it will not be easy. A possible compromise could be an agreement to allow some settlement construction in existing settlements in return for a rapid agreement on borders. A further obstacle to the 'Two State solution' could be the demand that the Jewish character of the State of Israel is recognised. This, together with settlement enterprise, is leaving Abbas very weakened.

20. On the **EU-Israel Association Agreement**, Mr. Dupla del Moral said that Israel deems its relationship with the EU as very important and is putting a lot pressure on the EU to resume talks on upgrading the Association Agreement. However, EU agreed that talks on the upgrade should not be resumed until there is real progress in the direct talks. EU can use upgrade as a positive leverage for the negotiations. EU and Israel are still implementing the Association Agreement action plan, the most recent action being the proposal on the Agreement on Conformity, Assessment and Acceptance of Industrial Products (ACAA). This proposal, however, has been blocked by the European Parliament. The Commission is also considering issues on the implementation of the action plan in relation to the consequences of occupation and rights of jurisdiction. The Commission is actively monitoring Human Rights situation in Israel and the occupied territories, including the proposed new law on Non-Governmental Organisations (NGOs). The proposed upgrade would have included the establishment of a new Human Rights Committee. However, an informal group on Human Rights met in September and issues not covered at that meeting should be covered by the EU-Israel political dialogue which is due to take place on 19 October.

21. It is clear the Association Agreement is going to continue. There are varying views between and within Member States and the status quo is the minimum. There is no intra-EU agreement on the democracy clause in Association Agreements and how

it should be used. This is a weakness. A suspension of the Agreement is possible but the procedure would be long and arduous. However, it is very unlikely that agreement could be reached on this course of action among the Member States.

22. The EU promotes human rights as much as it can but it depends on external and internal factors. These are obstacles in getting agreement to proceed urgently against a third country when human rights are said to have been violated by that country. There is a need to balance human rights with trade and energy concerns. To make an exception to that criterion would be criticised for being inconsistent. A compensation for the weakness in the democracy clause is that relations with the EU are very important to Israel and may become an instrument for the EU. Also, is suspension of the Association Agreement the only action the EU can take? Are the funding of Human Rights NGOs and the taking up of individual cases with the Israeli government also action by the EU. The EU does raise human rights issues with Israel and Israel is prepared to listen unlike other countries in the Middle East such as Syria which the EU is hoping to conclude an Association Agreement with soon. It is a question of whether it is better to engage or not to engage.

Meeting with Pamela Brumter-Coret, DG Internal Market & Services: Briefing on proposal for a ‘Single Market Act’

23. Ms. Brumter-Coret briefed the delegation on the background and main measures to be contained in the proposal for a ‘**Single Market Act**’ which is due to be published by the Commission in October. The Single Market Act will seek to implement the main recommendations of the Monti Report, published in May 2010, which identified the gaps and bottle necks in the internal market and put forward a strategy to re-launch the single market. The overarching objective of any reform to the single market is to deliver economic growth and to ensure that social benefits flow from a reinvigorated market.

24. The Monti Report made nearly 200 proposals and the Commission has just completed an exercise identifying which of these proposals should be prioritised. These prioritised proposals are now under consideration by the college of Commissioners who will decide which proposals will be included in the final Single Market Act. The priority measures will be those that the Commission considers are the most meaningful for economic growth and the Commission estimated that if they are implemented the result will 4 per cent growth in the European economy by 2020. These measures include the establishment of a fully liberalised services market through the full implementation of the Services Directive, the creation of a Community patent and the harmonisation of copyright laws, the enhancement of infrastructure especially in the areas of transport, energy and telecoms, the establishment of a digital single market to encourage more e-commerce, and support for Small to Medium Enterprises (SMEs) to engage in the single market through a review of the Small Business Act and the Accounting Directive in order to reduce the regulatory burden for businesses. It is also proposed to harmonise EU company law but this will be a medium-term objective.

25. In response to questions from the delegation, Ms. Brumter-Coret confirmed that the Single Market Act will include proposals on tax coordination. The focus will be on VAT and corporation tax. On VAT, the goal is to co-ordinate the method of

collection is order to tackle fraud and lighten the burden on business. This will be good for businesses as well as public finances. The Single Market Act will discuss the benefits of introducing the proposals for a Common Consolidated Corporate Tax Base (CCCTB).

Meeting with Silvana Koch-Mehrin MEP, Vice-President of the European Parliament with responsibility for relations with national parliaments

26. The Vice-President (a German MEP and a member of the Alliance of Liberals and Democrats for Europe Group (ALDE)) outlined the recommendations of the EP's Steering Group on national parliaments. The overarching objective of these recommendations is to foster greater dialogue between the European Parliament and the national parliaments in relation to the three phases of the EU's legislative process: (i) the proposal stage; (ii) the co-decision stage; and (iii) the implementation stage. She acknowledged that transposition of Directives is the responsibility of Member States but the European Parliament has an interest in ensuring that Directives it adopts are implemented consistently across the EU. The so-called gold plating by Member States can jeopardise this and led to unfair criticisms of the EU. The recommendations of the Steering Group, therefore, focuses on enhancing parliamentary dialogue through the better programming and coordination of inter-parliamentary meetings. The Vice-President also emphasised the importance of national parliaments engaging with the European Parliament not only through their own MEPs but through European Parliament Rapporteurs. She also encouraged greater engagement between national parliamentarians and their MEPs through the political party structure.

27. In response to a question from the delegation on Ireland's reputation in Germany given our current economic difficulties, Ms. Koch-Mehrin said that Ireland is viewed more positively than other Member States such as Greece. Most Germans acknowledge that the fundamentals of the Irish economy are sound and the Government is taking quick and hard decisions to bring the fiscal situation under control. Germans believe that Irish people work hard and that many of the problems facing the Irish economy cannot be blamed on the Irish people. In contrast, a majority of Germans were not in favour of providing financial support to Greece and they view Greeks as not living up to their economic responsibilities with most workers retiring before 60 on large State pensions and many failing to pay taxes. Ms. Koch-Mehrin said that she is confident that Ireland will overcome its current economic difficulties but acknowledged that it will take hard political decisions and there will be a lot of pain for the Irish public.

Meeting with Catherine Day, Secretary General, European Commission

28. Opening the meeting, the Secretary General provided an overview on the main items currently on the Commission's agenda. First and foremost is the economy. She said that there is a lot of concern about Ireland. Twelve months ago the Commission were optimistic that the country was over the worst of it until the true costs associated with the nationalisation of Anglo-Irish became apparent. The Commission believe that its new legislative proposal on reforming the Stability and Growth Pact and the enhancing economic governance will ensure that such a financial and sovereign debt crisis will not happen again. The implementation of the Europe 2020 Strategy is crucial for economic recovery and the Commission believes that it is vitally important that spending is not cut in education and innovation which will be sources of the

knowledge economy and sustainable growth. Another key landmark will be the Budget Review which the Commission is due to publish on 19 October. For the Commission it is not a question of the size of the budget but the policy options. The budget review will see the start of the debate on spending priorities and will also address the issue of the enhancing the EU's own resources. The aim is to have a proposal on the post-2013 financial perspectives by the second quarter of 2011 and to find agreement on the perspectives among the Member States by mid to late 2012. Ms. Day also informed the delegation that the Commission's Work Programme for 2011 will be published on 27 October and that it will include a proposal to introduce draft legislation on the Common Consolidated Corporate Tax Base.

29. Turning again to the economic situation following comments by the delegation, the Secretary General said that the crisis did bring the EU to the brink but it had passed the test. The crisis revealed weaknesses in the system and the need for a strong economic union. The Commission did try to defend the monetary system when it brought France and Germany to the European Court of Justice for breaching the Stability and Growth Pact but it was not supported by the Member States. The Commission will do all it can to protect the system and the interests of all member States but it needs the support of the Member States. The crisis demonstrated the inter-dependence between Member States and that it is necessary to keep reinvigorating the EU. This takes political will. She said that the Commission and the European Central Bank are working together to help Ireland. The ECB is providing much needed liquidity to the Irish banking system. The Secretary General added that the people of Europe need hope in these difficult times and for her the Europe 2020 Strategy offers this hope. It has an important role to play in sparking economic recovery and providing sustainable growth and jobs. In terms of a possible role for the EU in helping to provide credit to struggling businesses, the Secretary General said that the Commission is working with the European Investment Bank to see if it could provide top up loans to companies. The Commission is also working on proposals to introduce a Europe wide bank levy in order to pay for any future crisis and avoid a reliance on the European tax payer.

Meeting with Commissioner Maria Damanaki: Maritime Affairs & Fisheries

30. The discussion with Commissioner Damanaki focused on reform of the **Common Fisheries Policy** (CFP). She said that the CFP had not really changed since 1994 and now it is in bad need of reform. She is determined to undertake a root and branch reform of the common policy. The basis of any fisheries policy must be the sustainability of stocks and in this regard the Commission must rely on scientific advice. The Total Allowable Catches (TAC) and quotas system is not a bad system but it must be based on scientific evidence. The Commissioner insisted that she will not be bargaining with Member States on quotas at the Council meeting in December. In the past, this political bargaining has resulted in over-fishing and over-capacity.

31. The Commissioner confirmed that she is currently working on the legislative package to reform the CFP following the end of the consultation process facilitated by the Green Paper published last year (the Joint Committee on European Affairs and Joint Committee on Agriculture Fisheries and Food provided a response to this Green Paper to the Government in February 2010). She hopes to deliver this legislative package in Spring 2011 with a view to the Council and the European Parliament coming to a first reading agreement in June. If this is the case, there would be a new

CFP in place for 2012. The overarching objectives of the reform will be to increase fish mortality rates and reduce discards. To achieve this, the Commission will be proposing more flexibility to enable Member States to manage their own fisheries. The Commission will set the targets based scientific evidence and the Member State can use any instrument it likes to achieve this target. This could involve the regionalisation of the CFP with a sea-basin approach with groups of Member States agreeing their own management plans. The Commissioner also indicated that there would be a special policy proposed for small scale fisheries.

32. The Commissioner said that a reformed CFP must be matched by a good market policy. Fishermen have little difficulty with supply, issues arise from the pricing. To help this situation, it is proposed that subsidies for scrapping boats should be abandoned in favour of supporting Member States in establishing storage facilities. In addition, measures must be found to tackle a situation where 80 per cent of Europe's fish is imported while at the same time European fishermen are discarding fish at sea. There is a clear need for a market policy which could include labelling to ensure that imported fish meet the same standards as European fishermen, thus creating a level playing field. However, such a policy must also take account of the EU's World Trade Organisation responsibilities. Such a market policy would also encourage more fish processing in Europe, thus creating much needed employment and sustaining coastal communities.

Meeting with Commissioner Dacian Ciolos: Agriculture & Rural Development

33. The discussion with Commissioner Ciolos focused on the **future of CAP** post-2013. The Commissioner said that the future of CAP must be based on three principles: (i) the security of food supply, both quantity and quality; (ii) the sustainable management of natural resources; and (iii) the role of agriculture to ensure good management of the landscape and rural development. The Commissioner acknowledged that there is a need to promote CAP as a policy which is not just important to 3-4 per cent of the European population but is important for the whole population in terms of the supply of high quality, safe food. In addition, CAP must be seen as part of the effort to encourage smart and inclusive growth as provided for in the Europe 2020 Strategy. It is therefore necessary that agriculture also innovates. The Commissioner added that the Commission will be supporting a strong budget for CAP and will defend the direct payment scheme. However, the system of distribution of payments will have to be looked at in order to make it more equitable.

34. In response to a question from the delegation, the Commissioner acknowledged the Committee's interest in the issue of the quality of agricultural products and thanked it for its contribution to the Commission's Green Paper on the subject last year. The Commissioner indicated that he will be bringing forward a communication on the issue in November on the basis of the consultations. The communication will set out how the Commission intends to support safe animal production and quality products through a series of measures including enhanced labelling. The proposals on labelling will include a proposal on country of origin labelling.

**Joint Committee on European Affairs
14 October 2010**

APPENDIX 1

Programme for Study Visit to EU Institutions

Monday 27 September	
9.00am - 11.00am	Mr. Rory Montgomery, Permanent Representative of Ireland to the EU Ms. Geraldine Byrne-Nason, Deputy Permanent Representative [Venue: Irish Permanent Representation, Rue Froissart]
11.30am - 12.30am	Commissioner Olli Rehn (Economic and Monetary Affairs) [Venue: Berlaymont]
1.00pm - 2.30pm	Working lunch hosted by Maire Geoghegan Quinn, Commissioner for Research, Innovation and Science [Venue: Berlaymont private dining room]
2.45pm - 3.45pm	Mr. Tomas DUPLA DEL MORAL , Director Directorate General for External Relations - briefing on the EU-Israel Association Agreement [Venue: Charlemagne Building]
4.15pm – 5.15pm	Mme. Pamela BRUMTER-CORET, Head of Unit Directorate General for Internal market and Services - briefing on the Single Market Act [Venue: Pavillon Building, Rue de Spa 2]
8.00 pm	Working Dinner hosted by the Ambassador Rory Montgomery, Permanent Representative of Ireland to the EU, with MEPs and EP Officials [Venue: Residence of the Permanent Representative, 15 Rue de Crayet, B-1000]

Tuesday 28 September	
8.15am [TBC]	Breakfast Meeting :Vice President of the European Parliament Ms Silvana Koch-Mehrin [Venue: European Parliament]
9.30am - 10.30am	Ms. Catherine Day (Secretary General of the Commission) [Venue: Berlaymont]
11.30am - 12.30pm	Commissioner Maria Damanaki (Maritime Affairs and Fisheries) [Venue: Berlaymont]
12.30pm - 1.00pm	Commissioner Dacian Ciolos (Agriculture and Rural Development) [Venue: Berlaymont]
1.15pm- 2.30pm	Working lunch with Irish MEPs, hosted by the European Parliament Venue: La Brasserie Van Maerlant, Rue Van Maerlant, 2
3.00pm - 4.00pm CANCELLED	Commissioner Maros Sefcovic (Inter-institutional Relations) [Venue: Berlaymont]
4.15pm - 5.15 pm CANCELLED	Mr. Tomas Neale, Head of Unit Directorate for Taxation and Customs Union - Briefing on CCCTB [Venue: Berlaymont]

APPENDIX 2

Membership of the Joint Committee

Deputies:	Séan Barrett	(FG) ¹
	Pat Breen	(FG)
	Thomas Byrne	(FF) ²
	Michael Creed	(FG) ³
	Timmy Dooley	(FF) Vice-Chairman
	Bernard Durkan	(FG) Chairman
	Beverley Flynn	(FF)**
	Brendan Howlin	(Lab) ⁴
	Michael Mulcahy	(FF)
	Mary O'Rourke	(FF)
	Seán Power	(FF) ⁵
	Noel Treacy	(FF)
	Joanna Tuffy	(Lab)**
Senators:	Maurice Cummins	(FG)*
	Mark Dearey	(GP) ⁶
	Pearse Doherty	(SF)*
	Paschal Donohoe	(FG) ⁷
	John Hanafin	(FF)
	Terry Leyden	(FF)
	Rónán Mullen	(Ind)*
	Phil Prendergast	(Lab)
	Feargal Quinn	(Ind)

1 Deputy Séan Barrett replaced Deputy Billy Timmins by order of Dáil Éireann 8 July 2010.

2 Deputy Thomas Byrne replaced Deputy Barry Andrews (on appointment as Minister of State at the Department of Health and Children), by order of Dail Eireann 26 June 2008

3 Deputy Michael Creed replaced Deputy Lucinda Creighton by order of Dáil Éireann 13 October 2010

4 Deputy Brendan Howlin replaced Deputy Joe Costello by order of Dáil Éireann 8 July 2010.

5 Deputy Sean Power replaced Deputy Michael McGrath by order of Dáil Eireann 10 July 2009

6 Senator Mark Dearey replaced Senator Deirdre deBurca (resigned as of 16 February 2010) by way of report laid before Seanad Eireann by the Committee on Selection on 22 June 2010

7 Senator Paschal Donohoe (FG) replaced Senator Maurice Cummins (FG) by way of report laid before Seanad Eireann by the Committee on Selection on 5th December 2007

* members appointed to the Committee by way of report laid before Seanad Eireann by the Committee on Selection on 7 October 2008

** Members appointed to the Committee by Order of Dail Éireann 2 October 2008

APPENDIX 3

Orders of Reference

Dáil Éireann on 23 October 2007 ordered:

- “(1) (a) That a Select Committee, which shall be called the Select Committee on European Affairs, consisting of 11 Members of Dáil Éireann (of whom four shall constitute a quorum), be appointed to consider—
- (i) such Bills the statute law in respect of which is dealt with by the Department of Foreign Affairs;
 - (ii) such proposals contained in any motion, including any motion within the meaning of Standing Order 159 concerning the approval by the Dáil of international agreements involving a charge on public funds; and
 - (iii) such other matters
- as shall be referred to it by Dáil Éireann from time to time.
- (b) For the purpose of its consideration of matters under paragraphs (1)(a)(i), (ii) and (iii), the Select Committee shall have the powers defined in Standing Order 83(1), (2) and (3).
- (c) For the avoidance of doubt, by virtue of his or her *ex officio* membership of the Select Committee in accordance with Standing Order 92(1), the Minister for Foreign Affairs (or a Minister or Minister of State nominated in his or her stead) shall be entitled to vote.
- (2) (a) The Select Committee shall be joined with a Select Committee to be appointed by Seanad Éireann to form the Joint Committee on European Affairs to—
- (i) consider such matters arising from Ireland’s membership of the European Communities and its adherence to the Treaty on European Union, as it may select;
 - (ii) consider such—
 - (I) programmes and guidelines prepared by the Commission of the European Communities as a basis for possible legislative action,
 - (II) non legislative documents published by any Union Institution in relation to EU policy matters,
 - (III) acts of the institutions of the European Communities,
 - (IV) regulations under the European Communities Acts 1972 to

2007,

- (V) other instruments made under statute and necessitated by the obligations of membership of the European Communities, and
- (VI) any other document relating to European Union matters deposited in both Houses of the Oireachtas by a Member of the Government or Minister of State,

as it may select;

- (iii) consider such other matters as may be referred to it from time to time by both Houses of the Oireachtas; and
- (iv) represent both Houses of the Oireachtas at the Conference of Community and European Affairs Committees of Parliaments of the European Union (COSAC) jointly with the Joint Committee on European Scrutiny;

and shall report thereon to both Houses of the Oireachtas in consultation with the Joint Committee on European Scrutiny.

(b) The Joint Committee shall have:

- (i) the powers defined in Standing Order 83(1) to (9) inclusive;
- (ii) the power to refer a proposal for EU legislation which has been considered by it (and which has been concluded to be of sufficient importance to require additional scrutiny) to a Joint Committee on which has been conferred the power defined in Standing Order 83(4) to consider such proposals;
- (iii) the power to request the attendance of Members of the Government (or Ministers of State nominated in their stead) (or, in the case of the European Council, the Taoiseach or Minister for Foreign Affairs) before the Joint Committee and provide, in private session if so desired by the Member of the Government or Minister of State, oral briefings in advance of Council meetings to enable the Joint Committee to make known its views; and
- (iv) the power to make recommendations to the Minister for Foreign Affairs (or Minister of State) on European Union matters.

(c) The following persons may attend meetings of the Joint Committee and may take part in proceedings without having a right to vote or to move motions and amendments—

- (i) Members of the European Parliament elected from constituencies in Ireland (including Northern Ireland);
- (ii) members of the Irish delegation to the Parliamentary Assembly of the Council of Europe; and

- (iii) at the invitation of the Joint Committee, other Members of the European Parliament.
- (d) The quorum of the Joint Committee shall be five, of whom at least one shall be a Member of Dáil Éireann and one a Member of Seanad Éireann.
- (3) The Chairman of the Joint Committee, who shall be a Member of Dáil Éireann, shall also be Chairman of the Select Committee.”.

Dáil Éireann on 2 October 2008 ordered:

That the Orders of Reference of the Select Committee on European Affairs be amended in paragraph (1)(a) by the deletion of ‘11 members’ and the substitution therefore of ‘13 members’.

Seanad Éireann on 24 October 2007 ordered:

- “(1) (a) That a Select Committee consisting of 6 members of Seanad Éireann shall be appointed to be joined with a Select Committee of Dáil Éireann to form the Joint Committee on European Affairs to—
- (i) consider such matters arising from Ireland’s membership of the European Communities and its adherence to the Treaty on European Union, as it may select;
 - (ii) consider such—
 - (I) programmes and guidelines prepared by the Commission of the European Communities as a basis for possible legislative action,
 - (II) non legislative documents published by any Union Institution in relation to EU policy matters,
 - (III) acts of the institutions of the European Communities,
 - (IV) regulations under the European Communities Acts 1972 to 2007,
 - (V) other instruments made under statute and necessitated by the obligations of membership of the European Communities,

and

 - (VI) any other document relating to European Union matters deposited in both Houses of the Oireachtas by a Member of the Government or Minister of State,

as it may select;
 - (iii) consider such other matters as may be referred to it from time to time by both Houses of the Oireachtas; and

- (iv) represent both Houses of the Oireachtas at the Conference of Community and European Affairs Committees of Parliaments of the European Union (COSAC) jointly with the Joint Committee on European Scrutiny;

and shall report thereon to both Houses of the Oireachtas in consultation with the Joint Committee on European Scrutiny.

- (b) The Joint Committee shall have:
 - (i) the powers defined in Standing Order 70(1) to (9) inclusive;
 - (ii) the power to refer a proposal for EU legislation which has been considered by it (and which has been concluded to be of sufficient importance to require additional scrutiny) to a Joint Committee on which has been conferred the power defined in Standing Order 70(4) to consider such proposals;
 - (iii) the power to request the attendance of Members of the Government (or Ministers of State nominated in their stead) (or, in the case of the European Council, the Taoiseach or Minister for Foreign Affairs) before the Joint Committee and provide, in private session if so desired by the Member of the Government or Minister of State, oral briefings in advance of Council meetings to enable the Joint Committee to make known its views; and
 - (iv) the power to make recommendations to the Minister for Foreign Affairs (or Minister of State) on European Union matters.
 - (c) The following persons may attend meetings of the Joint Committee and may take part in proceedings without having a right to vote or to move motions and amendments—
 - (i) Members of the European Parliament elected from constituencies in Ireland (including Northern Ireland);
 - (ii) members of the Irish delegation to the Parliamentary Assembly of the Council of Europe; and
 - (iii) at the invitation of the Joint Committee, other Members of the European Parliament.
 - (d) The quorum of the Joint Committee shall be five, of whom at least one shall be a Member of Dáil Éireann and one a Member of Seanad Éireann.
- (2) The Chairman of the Joint Committee, shall be a Member of Dáil Éireann.”.

Seanad Éireann on 7 October 2008 ordered:

That the Orders of Reference of the Select Committee on European Affairs be amended in paragraph (1)(a) by the deletion of ‘6 members’ and the substitution therefore of ‘9 members’.