



The Republic of Ireland and Cohesion Policy after 2020

**Dr. Brid Quinn
University of Limerick**

Overview

- ❖ Contextual issues
- ❖ Significance of CP for the Republic of Ireland
- ❖ The Republic of Ireland and Cohesion Policy after 2020
 - ❖ CP Orientation
 - ❖ CP Financing
 - ❖ CP Implementation
 - ❖ Communicating CP
- ❖ Brexit

Likely EU changes to Cohesion Policy

- ❖ Results-orientation
- ❖ Simplification
- ❖ Differentiation
- ❖ alignment with European Semester

Post 2020: Investment priorities

- Social inclusion
- employment, skills
- innovation
- climate change, energy and environmental transition
- Reflection paper mentions positive impact of CP on SMEs, healthcare and social infrastructure, transport and digital infrastructure.
- Improving institutions
- Positive incentives for structural reform
- Support for cooperation, especially on innovation



Budget focused on results

"We need a budget aimed at results, rather than rules. A road to nowhere built according to the rules, is still a road to nowhere.

We should not spend money just to obey the rules. It is important. But we should invest it with results in mind."

President Juncker at the Conference "EU Budget focused on Results" – 22 September 2015

The significance of Structural & Cohesion Funding for Ireland

Ireland in the 1980s had a 'Silicon Valley economy married to a Sicilian infrastructure' (Ed Walsh)

SF "They were the seed capital of our economic development," Albert Reynolds, former prime Minister

'But it was more the case that the structural funds had a walk-on part in the Irish economic success story' John Fitzgerald, economist, 2006

I remember that the impact of the structural funds on the transformation of the Irish economy was the primary example taken to illustrate how European integration could bring a rapid and impressive convergence of living standards' Yves Bertoncini, DG RP

CP orientation issues

Thematic concentration – YES but with more flexibility in the allocation of funds across the thematic objectives

Choices determined by local actors reflecting specific territorial needs,

Conditionalities – YES but simplify and enable adaptation by SNG, beneficiaries, etc.

Ireland recommends that no additional regulatory burdens should be imposed for the post 2020 period.

Systemic change

Flexibility to respond to emerging demands, unavoidable delays

Specify report format not ICT system

focus on performance and results not just administration of funding.

improved co-ordination - e.g., multi-fund programmes or cooperation between separate funds

CP Finance



- ❖ Territorial Cooperation funding YES – transnational & cross-border projects NB.
- ❖ Develop proposed ‘Border Focal Point’
- ❖ Increase ESIF resources
- ❖ Confine ESIF funding to cohesion objectives - *new* financial resources for new priorities.
- ❖ Wary about link drawn in *Reflection Paper on the Future of EU Finances* between Cohesion Policy and its potential use to provide financial rewards for structural reforms

Implementation

Policy protocols YES

e.g., programming, monitoring, evaluation and partnership

Simplification YES

Implementation of Cohesion Policy led by local actors

MS constrained from adding to complexity

Improved indicators e.g., social progress indicators

Monitoring

a more strategic approach

focus on the outcomes and impact of funding.



Communicating CP

Communication

- ❖ Between levels of government
- ❖ Between citizens and government/EU

Communicating Europe

- ❖ Ensure EU is credited with part-funding projects, so that citizens can see the direct and positive impact of EU .
- ❖ Support more 'people to people' projects

Brexit..... General



- Pressures on EU Budget following the departure of a net contributor with complex re-distributive effects
- New demands for Cohesion Policy in order to deal with new asymmetric shocks e.g., trade and FDI
- The UK played a relevant role in shaping EU policies including the progressive shift of resources from CAP towards Cohesion

Summary of results

	EEA Scenario	Customs Union Scenario	FTA Scenario	WTO Scenario
GDP Impact	-2.8%	-4.3%	-4.3%	-7.0%
Exports	-3.3%	-4.4%	-4.5%	-7.7%
Imports	-3.5%	-4.7%	-4.8%	-8.2%

Note: The impact on GDP under a Customs Union scenario could be reduced to 3.4% if political agreement can be reached to minimise customs procedures.

Brexit specifics

- ❖ Trade
- ❖ Travel
- ❖ Tariffs
- ❖ Transmission
- ❖ Public procurement



Business – areas of exposure

- Movement of people – *possible restrictions*
- Slowdown in UK market – *possible market contraction and price pressures*
- Currency – *impact on profits; delayed decision making due to uncertainty*
- Customers – *Brexit will also impact customers*
- Competition – *expect new and increased competition*
- Supply chain – *impact on cost, certainty and quality*
- Transport and logistics – *established transport routes may no longer be optimal*
- Regulations and standards – *may change for exporting to and importing from UK*
- Customs, tariffs and taxation – *may see an increase in administration, cost and time*





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Cohesion Policy

Help us build it!

Which challenges should this policy address after 2020 and how?

#EUHaveYourSay



[#CohesionAlliance](#)

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Orientation continued.....

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- Simplification YES
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- Improved indicators e.g., social progress indicators
- Monitoring
 - a more strategic approach
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- Communication
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Potential impact on Ireland- gov.ie

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GOODS



EXPORTS

€15.6 billion

OF GOODS
TO THE UK

IMPORTS

€18.0 billion

OF GOODS
FROM THE UK



SERVICES

EXPORTS

€18.0 billion

OF SERVICES
TO THE UK

IMPORTS

€11.4 billion

OF SERVICES
FROM THE UK

COMMUTING

COMMUTERS TO/FROM NORTHERN IRELAND

TO IRELAND FOR
WORK OR STUDY

6,456 persons

TO NORTHERN IRELAND
FOR WORK OR STUDY

8,295 persons

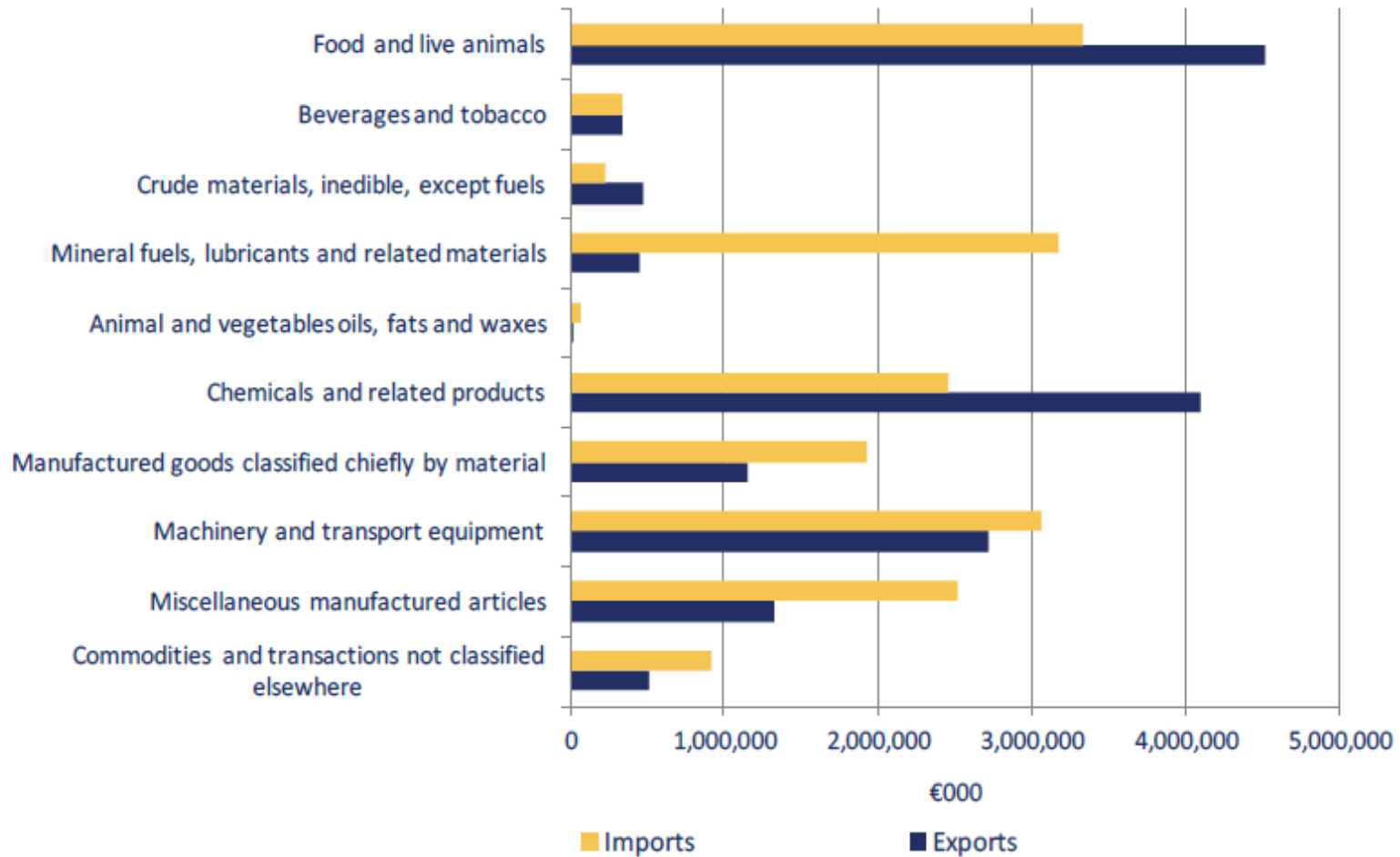


Brexit specifics

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- ❖ Travel
- ❖ Tariffs
- ❖ Transmission
- ❖ Public procurement



Exports and imports of goods from the UK, 2015



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Conclusions

