



Frequency asked questions on the UK – EU Referendum

1. What is the Irish Government's position on the upcoming referendum in the UK?

Our Government's position on the EU-UK question is clear: We want the UK, as our friend, closest neighbour and partner, to remain a member of a reformed EU.

Our relationship with the UK is closer than with any other Member State. We believe Ireland has a unique perspective and interest in the outcome of the referendum: as a neighbour sharing a land border; as a partner with the UK in transforming British-Irish relations in recent years; and as a facilitator and co-guarantor, with the UK, of successive agreements aimed at securing peace and prosperity in Northern Ireland.

But we fully respect that, first and foremost, this is a decision for UK voters to make on 23 June.

2. Why does the Government want the UK to remain in the EU?

There are four main reasons why we want the UK to remain in the EU:

- **Economy:** Studies show there would be an adverse impact on both the British economy and in turn on the Irish economy if the UK leaves the EU. €1.2 billion in goods and services are traded every week between the UK and Ireland. Anything that might get in the way of seamless flows of goods, services, capital and people between our two countries would not be welcome.
- **Northern Ireland:** The EU has been an important factor in sustaining peace and prosperity in Northern Ireland and in providing important opportunities in which nationalist and unionist representatives can work together. The EU also provides a broader context for relations on these islands. Much-needed funding, including through programmes like PEACE and INTERREG, will provide almost €3.0 billion in the six years to 2020. North-South cooperation is so much easier when both jurisdictions are members of the same Union.
- **Common Travel Area:** The Common Travel Area which has been in existence since Irish Independence is an important feature of the close relationship between our two countries. It allows free movement between Ireland and the UK and ensures that Irish citizens and British citizens are treated on a par, with regard to access to social welfare. It is particularly important with regard to preserving the benefits of ease of travel on the island of Ireland.

- **EU:** The UK is an important voice at the table in Brussels. We want that voice to continue being heard. We are allies on many of the key issues facing the EU, above all on economic issues. We want to ensure that the EU is competitive, with a fully functioning single market, including in the digital area. We want a sustained focus on completing trade agreements with global partners. The withdrawal of the UK would shift the balance of opinion within the Union on these issues. More broadly, it would weaken the Union in substance and reputationally at a time of serious challenges.

3. What happens if the UK votes to remain in the EU?

In February the EU Heads of State and Government agreed a deal with the UK to respond to their concerns on economic governance, competitiveness, sovereignty and social welfare. This is a legally binding, international agreement (similar to the agreements reached with Denmark and Ireland in relation to the Maastricht and Lisbon Treaties) and, as such, it has been deposited with the UN.

If the UK electorate votes for the UK to remain in the EU, the February agreement would take effect as soon as the UK has informed the European Council of its decision.

This means that the agreed measures in relation to economic governance, competitiveness and sovereignty would be effective immediately. The agreed measures in relation to social benefits and freedom of movement would be implemented by amending or complementing existing EU Regulations, and would therefore need to be agreed by the European Parliament and the Council of Ministers before they could take effect.

4. Would Irish people in the UK lose benefits if the UK votes to remain in the EU?

Two social welfare changes could be implemented as part of the EU agreement. First, child benefit, payable in respect of the children of EU migrant workers not living in the same state as their parent(s), could, after a period of four years, be index linked to reflect conditions in the country where the child lives. Second, access to “in-work” benefits (essentially intended as pay top-ups for lower-paid workers) could be limited, for four years for people newly entering the UK labour market, with payments graduated upwards over that period. This would not apply to any EU citizen already residing in the UK.

The Government has raised with our UK counterparts, at both political and official level, the possible implications of these measures for Irish people in the UK. The UK Government is therefore fully aware of our concerns and of the particular status of the Irish community in Britain over very many years. Officials remain in contact on the issue.

We look forward to continuing these discussions, where we will continue to actively pursue the best interests of the Irish in the UK.

5. What happens if the UK votes to leave the EU?

Prime Minister Cameron has made it clear that this is a once only deal. He has stressed that if the UK votes to leave the EU, he will abide by that decision and negotiations will take place for the UK to withdraw from the EU.

That is why it is crucially important that there is a clear understanding of the issues and, we believe, the respectful views of friends and allies like Ireland.

If the UK votes to leave the EU on 23rd June, withdrawal negotiations would take place, in accordance with Article 50 of the Treaty on European Union. It would probably also be necessary to have complementary negotiations on the future EU-UK relationship. These two sets of negotiations would be expected to last at least two years, but probably much longer.

Naturally, because of our shared economic interests and strong historical and current links, Ireland would have a range of national concerns and issues that we would wish to see addressed at EU or bilateral level in the context of a negotiated withdrawal.

These issues include the operation of the Single Market and the effects on trade between us, the common travel area and energy interconnection between the islands.

These would be advanced in the negotiating process. We would as necessary seek to emphasise the very particular relationship we have with the UK, including on Northern Ireland. It should be recalled, however, that in the negotiations we would be one of twenty-seven Member States on the EU side, and that in matters of EU competence the scope for bilateral arrangements has to be seen in that light.

Work has been undertaken in Government Departments to scope the range of risks and opportunities that would fall to be addressed in the two year period following a Leave vote. This analysis will continue to be deepened in advance of the referendum and plans developed to manage contingencies that may arise.

6. Does Ireland have a 'Plan B' if the UK votes to leave the EU?

Clearly, a UK departure from the EU presents a risk for all Member States but especially so for Ireland because of our unique relationship with the UK.

The Irish Government will continue to plan, in order to be as prepared as possible and to actively manage any contingencies that may arise. Government Departments and key stakeholders will continue to deepen their analysis of the strategic, policy, operational and sectoral issues that would require priority attention, particularly in the event of a "leave" vote.

It is worth noting that there is already a clear framework in place for bilateral co-operation between the Irish and UK Governments under the Joint Statement which was signed by the Taoiseach and the UK Prime Minister in 2012. The Taoiseach and Prime Minister review progress at their regular Summit meetings.

This provides a framework for bilateral co-operation on a Joint Ireland/UK Work Programme covering issues such as the Common Travel Area; Energy & Climate Change; Economic & Financial Issues and Trade & Investment.

As part of this, Government Departments meet regularly with their UK counterparts and annual plenary meetings take place between Secretaries General of Irish Government Departments and UK Permanent Secretaries to progress key areas of co-operation. Such bilateral engagement will continue, whatever the outcome of the UK referendum, but will become particularly important in the event of a vote by the UK to leave the EU.

7. Will there be customs posts along the border with Northern Ireland?

This would depend very substantially on the terms and conditions of a new relationship between the UK and the EU as regards UK access to the Single Market and the Customs Union.

The Government would regard the re-establishment of customs posts on the border as a major backward step for North-South trade and cooperation.

Clearly, customs posts would not be set up overnight in the event of vote to leave. A negotiation period of at least two years would apply. As the only EU country that has a land border with the UK, Ireland would work hard to avoid customs posts being re-established. But the matter is not fully within our hands.

8. Would we get a special deal for Irish Citizens and the Common Travel Area?

The Common Travel Area has been in existence since Irish Independence. It is an important feature of the close relationship between Ireland and the UK with long-established benefits for trade and tourism between our two countries. It operates across a range of areas including allowing for free movement between Ireland and the UK, and access to social welfare.

There is every reason to believe that it is an arrangement that is valued on both islands and that both Governments would work hard to preserve its benefits.

However, the CTA has only ever operated where both Ireland and the UK were either outside of the EU, or within it. It would be a key issue for Ireland in the context of negotiating new terms and conditions for the EU's relationship with the UK.

In the event of UK vote to leave, this matter would be prioritised in the context of a new relationship between the EU and the UK, and in bilateral discussions with the British Government.

9. If the UK leaves the EU, will Ireland leave too?

No. Irrespective of the outcome of the UK referendum on its membership of the EU, Ireland, as a competitive, diversified and global economy, will remain a committed Member State of the EU and a full member of the Eurozone.

As a small open economy, Ireland values its access to a single market of over 500 million people and the benefits our exporters derive from EU trade agreements with other countries. Irish agriculture continues to benefit greatly from the CAP. And more broadly, we are conscious of the significance of being part of a Union with other like-minded democracies which share our values and interests.

As an English-speaking country, with access to the single market and as a member of the Eurozone, we will continue to be a location of choice for Foreign Direct Investment.

For more information on the EU-UK referendum, including access to a range of reports and speeches about this subject, please visit www.merrionstreet.ie.

27 April 2016