AM: Can I ask you first of all what you made of the Irish border part of Theresa May’s speech?

SC: Well, look, I mean, we certainly welcome the fact that she was very definitive in terms of her continuing commitment to the Good Friday Agreement, which of course is the foundation stone for the peace process in Northern Ireland. We also welcome the fact that she renewed her commitment to the agreement that was made politically before Christmas in the joint paper between the UK and the EU. But beyond that she hasn’t really gone into any more detail than we’ve already heard in terms of how she’s going to solve the problem of maintaining a largely invisible border on the island of Ireland. What she referred to essentially in terms of detail was the basis of two papers that the British negotiating team published last summer, which talked about a customs union partnership and also talked about streamlined customs arrangements, those being the two options that she wants to explore further. And of course she didn’t refer to the detail.

AM: Let me ask you about – because she did give some detail, she said 80 per cent of small businesses simply will be ignored completely. And the 20 per cent of the really big companies with very, very high value goods crossing the border can be dealt with electronically. Doesn’t that make some kind of sense?

SC: Well, you see, this is the mistake that I think is made in Britain all the time. When somebody definitively says that something will be the case from the British government people assume that that is the negotiated outcome. Of course it’s not. And so I’m not sure that the European Union will be able to support the situation whereby 80 per cent of companies that trade north-south and south-north will actually protect the integrity of
the EU single market, which of course will be a big priority for the EU negotiating team. So I think that while of course we will explore and look at all of the proposed British solutions, they are essentially a starting point in negotiations as opposed to an end point. But look, our responsibility in Ireland is to work with Britain – no Andrew just give me a second, if you might. Our responsibility in Ireland is to work positively with Britain to try to explore solutions. But if we can’t agree on solutions, well then of course what we have is the backstop. Which is a commitment by the British government to maintain full alignment with the rules of the customs union and single market.

AM: Well, you know that that backstop is completely unacceptable to the British government because it looks like an attempt by the EU and by Dublin to effectively appropriate Northern Ireland as part of the EU system. But you have just said something very interesting, you have suggested that if you don’t get what you want it could be the Irish side which puts up a hard border. The British government have been absolutely clear, under no circumstances will they put up a hard border. Are there circumstances in which Dublin would put up a hard border?

SC: Andrew, I haven’t said that, so please don’t put words in my mouth. The British government understand only too well, and Theresa May was very clear on this, they understand how a single market works. It was actually Britain probably more than any other country helped to design the single market in terms of how it functions today. So everybody understands that is part of this negotiation, that this isn’t a question of either side wanting to put up borders. But if you have to protect a functioning single market, just the same way as Britain wants to protect its own single market, well then you have to understand that if goods move from one customs union to another, then there needs to be some checks unless there is some mechanism that’s negotiated and put in place that prevents that. And the British government, whether
people want to accept it or not, committed clearly in December to ensuring that if there wasn't a political agreement on an option A or an option B in terms of how to solve the Irish problems, well, then of course the default position which was agreed to reassure everybody in Northern Ireland and people living on both sides of the border, and the many SMEs and companies that trade on an all-Ireland basis, that actually maintaining full alignment with the rules of the customs union and single market would be the default position. Now, we don't want that. What we want is an option A that we can negotiate through the EU negotiating team with the British negotiators to actually get a better solution that applies to all of the United Kingdom, so that Ireland’s trade with Britain east-west and north-south can be maintained as it is today. It’s a 65-billion euro trade relationship. There are 200,000 jobs in Ireland dependent on that, as there are 200 jobs (sic) in the UK as well, about 40,000 companies.

AM: Another thing that Theresa May said in the speech was that from now on this very difficult issue of the border would be solved jointly by London, Dublin and Brussels, be some kind of tripartite system where you settle down together and try and work it out. Is that going to happen?

SC: Well, I mean, we’re already talking together, so you know, the British negotiating team and the EU task force, with a lot of Irish input, has already mapped out areas of north-south cooperation linked to the Good Friday Agreement, and there are hundreds of those. So we have already been talking together, I have a very good relationship with Karen Bradly, who’s the Secretary of State for Northern Ireland, I have a very good relationship with many of the British Cabinet members who we’ve already met and discussed many of these issues with. But the formal negotiations have to be between the British government and the EU as a whole. But of course there’ll be a lot of Irish input in that, but that doesn’t mean that these issues will be easily
solved, because they won’t. It is a very complex thing for Britain to leave the European Union. There are 40 years, in fact 45 years, of agreements and negotiations that are a result of UK membership of the EU, and that won’t be unwound easily. And when you add in on top of that a Good Friday Agreement and a very complex and very fragile peace process, this is a significant responsibility for the British government and I’m glad that the Prime Minister made that clear during her speech. I mean, I think it’s important to say that we welcome her speech by and large, there’s a lot more detail than we have previously seen, but essentially what’s she’s outlining is that the British approach will be to look for some kind of hybrid model between the kind of FTA that the EU has with Canada today and the kind of market access that Norway has into the single market today. Now that we at least know that we can negotiate accordingly.

AM: And it’s in your interest, surely, to make sure that that kind of deal does happen, because Sir John Major, the former British Prime Minister’s quoted in today’s press quoting himself, the Irish Central Bank, saying that a Brexit – a difficult Brexit deal between the EU and the UK would cost the Irish economy 40,000 jobs and over a decade shrink the Irish economy by three per cent. So you have a real stake in this game don’t you?

SC: We do. And I mean, this is not, you know, Brexit was not the choice of the Irish people, it was the choice of British people. And so there is a responsibility on Britain to ensure that the impact of Brexit on its neighbours is also managed. But of course, I mean, you know, Ireland has said from the outset here the result of Brexit for us in terms of what we want is the closest possible relationship between Ireland and the United Kingdom and between the EU and the United Kingdom. But we also need to be realistic. When a country leaves the European Union and states that they’re going to leave the single market and customs union as well, you can’t expect to hold on to all of the benefits of EU
membership. And so I think that the Prime Minister’s speech did strike a note of realism and I think from that point of view it’s welcome.

AM: Simon Coveney, thanks very much for joining us from Cork. (ends)