



Chamber Manifesto for Europe - Elections 2019



Chambers
Ireland
Advancing business together



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Ireland's place in Europe

2019 is set to be a year of change for Ireland and the European Union. The European project has achieved remarkable progress over the last 60 years to preserve peace, ensure security and pursue prosperity.

Through its European Union (EU) membership, Ireland has become an innovative, competitive and prosperous economy. The European elections this May will give businesses and citizens the chance to continue to shape the future of Europe and the degree to which Ireland benefits from it.

European elections, however, are often referred to as 'second-order' elections, with lower voter participation than others. This is the case, despite salient policy issues, such as trade, taxation and regulation, being legislated for in Brussels. The 2019 elections could be the most decisive election yet in determining the future direction of Europe. Chambers of Commerce across Ireland want a Europe that is open for business, and a Europe that creates jobs and growth. We call on voters and businesses to think seriously about the kind of Europe they want to be a part of and elect candidates who will represent Ireland's interests as the Future of Europe debate evolves.

Chambers Ireland calls on candidates for the Parliament elections to prioritise the following issues;

- A Europe that invests in its cities and regions
- An ambitious global trade agenda that delivers for all
- A competitive and co-operative approach to taxation
- A fully connected Digital Single Market
- A supportive framework for a more sustainable circular economy



A Europe that invests in its cities and regions

European Union membership has helped to improve many aspects of Irish life, from our infrastructure, the quality of our environment, our opportunities for learning and the way our businesses buy and sell their goods and services.

Regional development and strategic investment in capital infrastructure is essential to Ireland's competitiveness. European investment since 1973 has seen a transformation of the Irish economy. With new challenges on the horizon, continued large scale EU investment into infrastructure is needed to ensure competitiveness and economic prosperity across all regions in Ireland.

Ireland, in the years following the banking crisis and economic crash, suffered from under-investment in infrastructure. It is only in recent years that investment is ramping up again, with the launch of Project Ireland 2040 in 2018. Finance available under the Investment Plan for Europe has contributed significantly to our ability to invest in this vital infrastructure.

While Ireland has become significantly more prosperous since it joined the EU and continues to be the fastest growing economy in the bloc, the departure of the UK is likely to have a significant impact on communities and businesses throughout the country. The extent of the economic implications is not limited to counties bordering Northern Ireland, but to all communities that have trade links with the UK, particularly those engaged in agri-food industries. It is extremely likely that more investment will be required in our airports, ports and road networks to ensure that we remain connected to the rest of Europe.

Chambers Ireland calls for the continuation of an Investment Plan for Europe, to ensure obstacles to investment are removed, visibility and technical assistance to projects is provided and financial resources are more readily available.

Calls to Action

- Continued financial supports to be available via the European Investment Bank to support the delivery of the National Development Plan / Project Ireland 2040
- Financial aid for communities and businesses who may be detrimentally impacted in the event of a no-deal Brexit
- Increased resources to communicate the funding opportunities available to SMEs and entrepreneurs under programmes like the European Investment Fund and Horizon 2020



An ambitious global trade agenda that delivers for all

The EU has negotiated and secured more than 30 free trade deals with non-EU countries, most recently with Canada and Japan.

Under the existing Commission, significant progress has been made to advance the trade agenda, but we must not be complacent. By 2020, 90% of global growth will come from outside the EU. If Irish business is to remain competitive, the EU needs to continue to make the case for ambitious, rules-based global trade. Further, it is imperative that the EU and member states work together to ensure that trade deals, once negotiated, are implemented and accessible to SMEs.

Ireland is a highly open and globalised economy that is deeply engaged in international trade and heavily influenced by global economic developments. Our membership of the EU has given Ireland a larger presence in global markets, which has seen Irish export goods increase from €1.1bn in 1973 to €119.5bn in 2016. Our status as an open trading economy means that in good times, we reap the benefits of global trade. However, this also leaves us more exposed to external shocks when compared to larger, less trade-dependent economies. Increased international trade tensions have not only negatively impacted Irish business operations but have also exposed and heightened the complexity of global supply chains.

The UK's departure from the EU poses a major challenge for Irish exporters, particularly SMEs, who, depending on the type of future trading relationship we have with the UK, may find that they require new markets and need assistance in diversifying.

These elections will be crucial in making sure that the EU continues to support SMEs and entrepreneurs. Newly elected MEPs must advocate for global trade and support Irish exporters to benefit from EU trade agreements.

Calls to Action

- Continued expansion of comprehensive SME-friendly trade agreements, particularly in Australia, New Zealand and Asia Pacific
- Continued support by DG Grow for the Enterprise Europe Network, one of the principal channels that supports Irish SMEs to trade globally
- Financial support for exporters of goods and services negatively impacted by Brexit

A competitive and co-operative approach to taxation

Countries such as Ireland depend on using taxation policy to attract investment and increase their competitiveness relative to neighbours and other larger countries.

Ireland's corporate tax rate of 12.5% has been an important tool in supporting our growth and competitiveness. Having sovereignty and flexibility to determine our own tax rates has been crucial in ensuring a small economy like Ireland can compete for investment. Our competitive tax system, along with our highly skilled work-force, is one of the reasons why multi-nationals choose to locate their operations in Ireland. Recent proposals by the EU Commission to change how the EU Council sets taxation policy from unanimity to weighted majority, has the potential to dilute our ability to remain competitive with other larger economies. Unilateral action by the EU on matters such as CCCTB and Digital taxation is likely to harm the Irish economy in the immediate and long-term.

International action on tax issues (via OECD) is the preferable course of action if complex issues like taxation of digital companies and limiting tax-avoidance are to be efficiently dealt with. If this is not the case, the EU is at a competitive disadvantage when it comes to attracting and retaining investment. Taxation is a sovereign Member State competence and should remain that way in order to maintain and preserve Irish competitiveness in relation to our European partners. Therefore, we call on new MEPs to defend tax sovereignty of member states and advocate for collective international action on matters of taxation.

Calls to Action

- Maintain the status quo of EU Council unanimity on issues of taxation
- Advocate a global approach when it comes to reforming international taxation, particularly for digital companies
- Ensure EU competitiveness is central to any changes to taxation policy



A fully connected digital Europe

The internal single market constitutes the largest common economic and barrier-free trading space in the industrialised world.

As a small, open and increasingly knowledge-based economy, Ireland relies on the functioning of the internal market that facilitates free movement of goods, capital, people and services. Chambers Ireland's members have an inherent interest in the completion of the EU internal market and we call on MEPs to tackle the many remaining barriers to the free movement of goods across Europe. We believe that more needs to be done at European level to ensure that the internal market is working in the interests of citizens and businesses, particularly SMEs and to strengthen communication of how the EU supports Irish business.

The completion of the Digital Single Market has become an important goal for the EU to ensure it maintains its position as a world leader in the digital economy. It will also help make it much easier for SMEs to do business online across the EU. Not only does the Digital Single Market help businesses to expand their operations across the globe but it also allows businesses to seamlessly access and execute online activities under conditions of fair competition. We welcome the EU's commitment to tear down regulatory walls and develop a secure and safe digital future. We ask that striving to complete and enforce the Digital Single Market be a priority for the newly elected and appointed College of Commissioners.

Calls to Action

- Promote the benefits and opportunities in the Digital Single Market by investing in e-commerce, digital infrastructure and digital entrepreneurship
- Prioritise the "Think Small First" principle across all new regulation so that red-tape for SMEs is minimised
- Ensure the right balance between protecting personal data and intellectual property, while also fostering innovation

A supportive framework for a more sustainable circular economy

The recent Intergovernmental Panel on Climate Change (IPCC) report confirmed that climate change is no longer a distant threat, but a visible reality.

More efforts are needed to ensure that these effects do not continue to increase. Supporting businesses to transition to the low carbon economy is a top priority for Chambers Ireland. We believe that a framework is required to support businesses to transform their operations and invest in low carbon products and services for future growth.

Under the current Commission, the emphasis has been on the circular economy and eradicating single-use plastics. These initiatives are set to cut down supply chain costs by reusing materials, making European business less dependent on importing materials and creating new jobs. While there is a necessity to become more sustainable and we welcome action to mitigate the effects of climate change, we must focus our attention on the need for a realistic framework that supports businesses during the transition process. A sustainable low carbon circular economy is the future, but in order to get there, we must ensure that a balanced, competitive, SME friendly approach is at the heart of regulatory changes. We call MEPs and appointed Commissioners to work together with Chambers of Commerce to ensure that the transition to a more sustainable business model is achieved in a way that is achievable to business.

Calls to Action

- Prioritise the "Think Small First" principle across all new regulation so that red-tape for SMEs is minimised
- Ensure there are financial supports available that encourage businesses to invest in energy efficiency
- Invest in resources that communicate the benefits of adapting to a 'circular' business model



Some critical questions to ask your local candidates:

What should the EU do to support investment
in our cities and regions?

What more can the EU do to support Irish exporters?

What is your view on EU action on taxation?

How can the EU support innovation and the digital economy?

What role does the EU have in supporting business
to adapt to the circular economy?



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