

The background of the entire page is a photograph of several European Union flags waving on tall poles. In the background, a large, curved building with many windows is visible, likely a European Union institution. The lighting is soft, suggesting dusk or dawn.

Building a Stronger Union



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Building a Stronger Union

Foreword

Dear Member,

This document is the result of an enormous amount of work on the part of Young Fine Gael's International Committee, our International Secretary Paula Campbell, and our National Executive Liaison, Eoin Scarlett. It is representative of what I believe to be the pragmatic, forward-thinking and European focus of not just Young Fine Gael, but of young Irish people as a whole.

Our submission on the Future of Europe proposes realistic measures dealing with Competition, Security, and Assertiveness which are couched in the many challenges faced by the European Union, but which we believe are necessary to provide for the Union's future prosperity.

I am proud to propose this submission as Young Fine Gael's President, and I assure you that in this and all European questions, Young Fine Gael will continue to make our voice heard.



Killian Foley-Walsh
President Young Fine Gael



Dear Member,

As Young Fine Gael's International Secretary, I am very proud to stand over this document that came from a policy meeting organised in 2018 with Eoin Scarlett, International Committee liaison. This document on the Future of Europe sets out what YFG believes are the key priorities for the EU and how we would like to see more engagement from Ireland and Fine Gael. As a party with close links to European Christian Democracy and a strong track record of engagement at EU level, YFG wants to pursue a deeper dialogue around Ireland's place in the EU specifically now against the backdrop of the regretful decision of the UK to leave the EU.

Having joined what is now the EU back in 1973, Ireland has gained so much from membership and we have seen our country transform. From lifting the marriage bar to trading extensively with our European partners, we've made a place for ourselves at the heart of the European project.

As we enter the next chapter of our membership, we are no longer a new young member and are now net budgetary contributors. We at YFG believe that Ireland needs to take on more responsibility within the EU and we want our country to rise to the challenge. For this reason, we have specifically drawn attention to what Ireland can do in terms of policy actions.

2019 will be a decisive year for the EU with personnel changes in the European Parliament, the Commission, ECB and the Council and critically the exit of the UK from the EU. We at YFG will be engaging with the debate at every step of the way and supporting our Fine Gael candidates to ensure that Ireland plays its role in delivering a more competitive, assertive and secure European Union.

Lastly, I would like to thank Eoin for all his dedication to producing this paper and the National Executive for being very supportive of international debate in YFG.

Paula Campbell
International Secretary

Dear Member,

Work on this document began in February 2018 following on from a Young Fine Gael meeting I organised with Brian Hayes MEP to discuss the future of the European Union. What emerged from the meeting was a great number of ideas from the YFG membership on how to reform the EU. I decided, together with our International Secretary Paula Campbell, to use these ideas as the basis for YFG's submission to the European Commission on the future of Europe. From the start we decided to take President of the commission Jean Claude Juncker at his word, that all groups no matter their size would have an opportunity to have their say in the future of Europe debate. President Juncker had stated that this debate must conclude in March 2019 before the European elections, so myself and Paula quickly set to work. The rest of the International Committee soon edited and added to the document. The document ultimately was completed at the YFG Summer School in Bundoran in July 2018 when all members of YFG had an opportunity to suggest amendments to the document and it was passed unanimously as YFG's submission on the future of Europe by our membership.

I decided, based on what I had heard at the meeting in February to sum up what direction YFG wanted the EU to go in, in three words. This is why the sections in this document are named "Competitive", "Assertive" and "Secure." We want to create a more competitive union that allows the EU to compete better economically in a rapidly changing global economic environment. We want the EU to become more assertive in global politics with the ultimate aim of the EU becoming the primary voice for western liberal democracy and the rules-based international order in the world. Lastly, we want a more secure union, better defended against threats such as terrorism, Russian aggression and cyber warfare, and one in which EU citizens are more economically secure. We also want the EU to be a champion of the fight against climate change both internally and externally. Making the EU more competitive, assertive and secure will, we believe, build a stronger union.

Eoin Scarlett
National Executive Liaison Officer on the International Committee

Introduction

THE The European Union currently faces huge challenges. Internally it must contend with the rise of Euroscepticism and the growth of extremist parties on both the far-right and the far-left. Soon, the EU will lose one of its oldest, biggest and most powerful member states, the United Kingdom.

The build up to and the aftermath of the Brexit referendum has seen extremist parties make considerable gains in several crucial European elections. Marine le Pen got to the second round of the French Presidential election winning 34% of the vote. In the Dutch General Election, Geert Wilders' far-right freedom party won twenty seats, and the far-right Alternative for Deutschland party won ninety-two seats in the Bundestag making it the largest opposition party. All of these extremist parties have capitalised on widespread anti-EU sentiment. The EU must also contend with the aftermath of the Banking Crisis and the years of austerity it caused, and while this period of economic crisis may be over in most of Europe, it very much continues to be felt in several southern European countries.

Externally, the instability in the United States caused by the election of Donald Trump has led to a weakening of the Transatlantic alliance on political, economic and security issues. It is clear that Europe can no longer rely on the US as it has in the past. The threat from international radical Islamic terrorism remains a major issue for Europe, and while Islamist groups such as Islamic State (IS) and Al Qaeda are nearly defeated, their potential resurgence remains a major security concern for Europe.

An increasingly aggressive Russia also threatens to undermine the EU which it sees as a threat. Russia's long-term economic decline makes it especially dangerous. The effects of this new more aggressive Russian foreign policy have already been seen from the Salisbury poisoning, to the hybrid warfare it has waged in the Crimea and eastern Ukraine, to the widespread interference in several recent European elections. The last twenty years have

seen the economic and political rise of China and other newly industrialised countries. This has led to a seismic shift in the international order. Europe is becoming proportionally poorer and less populated. China and Russia are both attempting to upset the international political order which has been dominated by the West since the end of the Cold War. This is a considerable threat to Europe, which now needs to reassert itself in a more competitive world.

However, the EU also has many strengths. It is still one of the richest places in the world, accounting for 20% of the world's wealth and 50% of global social spending, and yet Europe makes up just 7% of the world's population. Recent years have seen significant and rapid economic recovery, with EU GDP currently growing at the fastest rate it has grown in ten years. This impressive economic recovery gives the EU significantly more political potential and we believe the EU must now use its wealth to make itself more competitive, more assertive, and more secure in an increasingly volatile and changing world.

Across Europe politicians, political parties, NGOs and think tanks are debating the future direction of the EU. European leaders such as Sebastian Kurz and Leo Varadkar have delivered key speeches in which they have outlined their vision for future EU reform. Commission President Jean-Claude Juncker has set March 2019, two months before the European elections, as the deadline for the conclusion of this debate. We welcome this clear deadline, and therefore would now like to propose Young Fine Gael's vision for a relaunch of our great union. We firmly believe that by making the EU more competitive, assertive and secure, we can build a stronger union.



Competitive

The economic rise of newly industrialised countries such as China presents a major economic challenge for European industries. The EU economy must reform in order to better compete with these countries. We believe freer and better trade is central to this. ***Our proposed reforms are:***

1

COMPLETION OF THE SINGLE MARKET

We believe the single market should be expanded to industries that cover debt and banking. EU citizens should be able to access mortgages, business loans, insurance and other banking services in any of the 27-member states.

WHAT CAN IRELAND DO?

The Irish Government should lobby strongly for this at all levels of the EU. The department of foreign affairs should seek to build on the message Taoiseach Leo Varadkar advocated in his address to the European parliament in January 2018.

2

MORE FREE TRADE DEALS

We want the EU to expand on its success in signing the CETA and JEEPA free trade agreements. We would like to see the EU sign more free trade agreements, particularly with the MERCOSUL trading bloc in South America on the condition that the EU standards for meat production are met by these nations, and with key African countries.

WHAT CAN IRELAND DO?

Ireland should try to lead trade negotiations as much as possible. Irish politicians and officials should play major roles in EU trade negotiations such as the key role Commissioner Phil Hogan played in the JEEPA negotiations. When the Government completes its aim of doubling the size of the Irish diplomatic corps overseas, a significant part of this increased diplomatic corps should be devoted to working on behalf of the EU.

3

MORE BUSINESS WITH DEVELOPING COUNTRIES

European businesses should be encouraged and incentivised to set up more operations in developing countries. The market for European goods is rapidly expanding as developing countries become richer. This is a great opportunity for European business which very much links in with new EU free trade agreements with newly industrialised countries.

WHAT CAN IRELAND DO?

Again, Ireland can use an enlarged diplomatic corps, as well as an enlarged IDA, to increase business for Ireland and the wider EU with developing countries.

4 **OPPOSITION TO COMMON CORPORATE TAX BASE (CCTB)**

We firmly oppose any efforts to create a CCTB for the EU on the basis that it will make the EU less competitive. Differing tax rates attract business into Europe, especially in the IT sector, and changing this risks losing one of the EU's major industries. The CCTB would also punish smaller member states such as Ireland, Estonia, Latvia, Denmark and Sweden which all have large IT industries. The CCTB would, by removing a major part of member states' sovereignty, which is the freedom to set their own tax rates, fuel anti-EU sentiment.

WHAT CAN IRELAND DO?

Ireland must continue to veto any attempt to introduce a CCTB at the European Council. However, Ireland should support cross-border co-operation on corporate taxation and aim to cut down on tax avoidance by large corporations.

5 **ENERGY MARKET UNION**

EU citizens should be allowed choose their electricity and gas suppliers from any energy company based in the EU. We believe not only would this give greater choice to European consumers, but it would also encourage the growth of the renewable energy market.

6 **LANGUAGE POLICY**

The EU should launch a common language policy to encourage better language teaching in schools as well as sponsoring more exchange programmes for language students.

WHAT CAN IRELAND DO?

The Irish Government must reform its foreign language syllabus in schools to have a greater focus on oral teaching. Foreign language education also must begin much earlier at primary school level.

7 **DIGITAL EDUCATION PROGRAMMES**

The EU should encourage member states to launch compulsory digital education syllabuses in primary and secondary schools. This would help address the problems of deliberate disinformation on social media by foreign powers, namely Russia, as well as fake news in general, and also protect children and teenagers from abuse online.

WHAT CAN IRELAND DO?

Ireland can lead by example by introducing a national compulsory digital education syllabus in primary and secondary schools. This should be closely modelled on the digital education syllabus which the Swedish Government has introduced in its schools.

8 **ERASMUS+**

The Erasmus+ programme provides an invaluable experience for young people. Its budget is set to double over the coming decade. We believe that this new funding should be targeted at disadvantaged students.

WHAT CAN IRELAND DO?

Ireland should vote to support the doubling of the Erasmus+ budget as part of the Multi-annual Financial Framework (MFF) 2021-2027 negotiations.

9 **CIVIC EDUCATION**

Brexit and recent European elections have highlighted the lack of knowledge about the true workings of the European Union. Quality civic education, with a European dimension, should be encouraged across all Member States to address this shortfall. This would better inform young people about the workings of the European Union and it would foster political and civic participation from a young age.

WHAT CAN IRELAND DO?

Ireland should encourage fellow Member States to teach a curriculum like our own CSPE, with a focus on European issues.



Assertive

The last decade has seen Europe's traditional ally the United States become less assertive in global politics. In contrast, China and Russia have both become much more assertive. It is not good enough for the EU to simply hope that the US will reverse this decline. Europe is losing global power and influence and it must now become more independently assertive in international politics.

Whether or not the US recovers, the EU must be strong enough to stand by itself. Central to a new more assertive EU foreign policy, is the **promotion of liberal democracy, the rule of law and human rights** as the best system of government in the world. The EU27, guided by the European Commission and Council must agree to a **wider ranging, clearer and more ambitious Common Foreign Policy (CFP)**. The following points are what we believe the key objectives of the new CFP should be. *Our proposed reforms are:*

1

EXPANSION OF EU AGENCIES

The European External Action Service (EEAS), FRONTEX, and European Defence Agency (EDA) all need to be significantly expanded in order to successfully implement a more ambitious CFP. The EEAS and FRONTEX in particular need much more staff, and much larger budgets. FRONTEX needs to be expanded into a force that together with the national authorities can effectively police the EU's external border. This will help tackle the issues of illegal migration, human trafficking and illegal smuggling of goods. Expansion of the EEAS will create a much greater diplomatic presence for the EU abroad. We believe EU embassies should be set up in many key countries which the CFP has identified as being potential new long-term partners.

WHAT CAN IRELAND DO?

The Irish Government should recruit more staff to EU agencies such as FRONTEX and advertise the career opportunities available to Irish people in these agencies.

2 A NEW PARTNERSHIP WITH AFRICA

Recent years have seen massive Chinese investment in African countries. While this has brought many benefits to the infrastructure of African countries, it is also leading to declining European influence, exploitation of African land and resources, and the promotion of the more authoritarian Chinese system of government. As Europe's closest neighbour,

Africa's fate is very much tied to Europe, and it is now time for the EU to engage in major infrastructure and service building projects in Africa. This will help the EU promote the European liberal democratic system of government, which will pay greater respect to the human rights of Africans. For example, the EU could establish an effective Libyan coastguard, providing its training, budget and equipment and in return be allowed establish an EU naval base on the Libyan coast to facilitate the search and rescue and anti-human trafficking operation in the Mediterranean.

There should be regular EU-Africa summits which must always be attended by top EU leaders, especially the Commission and Council Presidents. The EU should also start negotiations with certain key partner countries in Africa to sign bilateral trade agreements.

WHAT CAN IRELAND DO?

Top Irish Government figures must attend all EU-Africa summits and should also aim to address and attend African Union summits regularly. Ireland can also lead EU charity policy through its large NGO charity presence in Africa. The Taoiseach see to it that Ireland meets its target of spending 0.7% of GDP on foreign aid and encouraging other Member States to follow suit. Ireland can set an example by holding more bilateral meetings with African leaders.

3 PROMOTION OF PEACE

The EU, through an expanded EEAS, should work to be an honest broker of peace agreements across the world. EU sponsored ceasefires and peace treaties could help stop war in conflict areas like Syria, Yemen and the Congo, and at the same time enhance the EU's international reputation as a force for good. The EU must defend the Iran nuclear deal despite the US Government's decision to withdraw from the agreement. The EU must be prepared to take on US sanctions in order to guarantee that the agreement survives. The EU should also try and sign more bilateral peace agreements similar to the Iran nuclear deal.

3 THE VOICE OF THE WEST

The EU should aim to be the dominant voice of the western world on the international stage. The decline of the US' enthusiasm to fill this role means the EU must take its place. Global forums, such as the UN security council, should be used by the EU as an opportunity to issue the first and strongest western reaction to international events. The EU should lead the western policy towards major international developments and co-ordinate this with allies such as Australia and Japan.



Secure

On the 13th September 2017, European Commission President Jean-Claude Juncker declared in his State of the Union address to the European Parliament, "We need to give Europeans back their sense of security." Now, we believe it is time to act on those words.

The last decade or more has seen Europe contend with one of its greatest security crisis since the Second World. Radical Islamic terrorism has been responsible for terrorist attacks across European cities, and an increasingly aggressive Russia has waged hybrid warfare in Ukraine as well as threatening many Eastern European member states.

With President Trump's open scepticism of NATO and the need for the EU to be able to act independently militarily to further European interests, now is the time to turn the EU into a **security union**, as well as an economic and political union. Economic security must also be improved for EU citizens. ***Our proposed reforms are:***

1

GREATER DEVELOPMENT OF PESCO

The decision by 25-member states in December 2017 to set up Permanent Structured Co-operation (PESCO) was a great step towards improving European security. PESCO must now become the facilitator of 1) deeper integration among European armed forces, 2) improved territorial defence of the EU's borders, and 3) a greater EU military presence abroad. PESCO member states should embark on more ambitious joint projects in the future to achieve these three objectives. PESCO should also consider setting up a new EU cyber defence agency. The Commission and the Council must work immediately to overcome the legal obstacles which have prevented the EU Battlegroups deploying so far. After this is achieved, the European Council must aim to deploy the Battlegroups frequently, either as stand-alone EU operations or in support of organisations such as the UN or African Union. PESCO should also explore the possibility of creating different sized Battlegroups, and possibly Naval and Air Support Battlegroups capable of stand-alone operations or in support of the main Battlegroups. The EU should also undertake to deploy the Battlegroups within the EU in a similar operation to NATO's 'Enhanced Forward Presence', to provide greater support to Eastern European member states worried about Russian aggression. Member states must increase their national defence budgets with the aim of all states getting as close to NATO's target of spending 2% of GDP on defence as possible.

WHAT CAN IRELAND DO?

The Irish Government should allow the Irish Defence Forces to opt into more current and future PESCO projects. The Irish Government should also aim to implement the ten key recommendations of the defence discussion document 'Defending Our Common European Home' launched by Fine Gael's four MEPs. By far the most important of these is a significant increase to Ireland's national defence budget. YFG has also released a defence policy document which seeks to develop in more detail the recommendations of Fine Gael's MEPs and we would encourage the Government to read this.

2 MORE CSDP OVERSEAS MISSIONS

Through an enhanced common security and defence policy (CSDP), the EU should undertake more operations and missions abroad. This should be frequently linked to EU infrastructure projects as outlined in section 2 above. The EU should undertake more peace support operations such as the EUFOR Chad/CAR mission in 2008, as well as more training missions, and NAVFOR operations. Through PESCO, mechanisms must be put in place to make the creation and deployment of these overseas missions and operations more rapid. Groups of member states should be allowed undertake CSDP overseas operations/missions even if other member states do not wish to contribute to those operations/missions.

WHAT CAN IRELAND DO?

Ireland can deploy more troops on CSDP missions, possibly be redeploying some troops from low-intensity UN peacekeeping missions. Fine Gael should also propose legislation to remove the so-called triple lock mechanism and replace it with a double-lock mechanism requiring Government and parliamentary approval only, for the deployment of twelve or more Irish troops overseas. This would facilitate greater Irish involvement in more wide-ranging CSDP missions and more rapid deployment of Irish troops on these missions.

3 EUROPEAN MONETARY UNION

EU citizens must also be more economically secure. Growth in Member States like Ireland that implemented reforms during and after the crisis show that domestic structural reform efforts pay off. Therefore we are in favour of an EMU that requires actions to be taken domestically first, to tackle structural problems at Member State level. Member States need to build up fiscal buffers in national budgets to allow room for national fiscal policies, in order to navigate economic downturns.

4 EUROPEAN BANKING UNION

The 2016 Council Roadmap to complete the Banking Union should remain the basis for future discussion. The next steps that the EU should work towards are adequate buffers for bail-in, flexibility to address macro prudential and systemic risks at the national level, sound provisioning policy for non-performing loans, regulatory treatment of sovereign exposure, ongoing work on improving the efficiency of national insolvency procedures, and minimizing the use of state-aid. A focus on risk reduction needs to be maintained too and to support progress on the development of a Capital Markets Union, fostering cross border private risk sharing.

WHAT CAN IRELAND DO?

Ireland needs to continue to reduce the level of government debt, develop more robust income sources, reducing dependence on volatile revenues such as stamp duty and address bottlenecks in infrastructure development.



5 REFORMING CAP

Future EU budget funds for CAP will come under increasing scrutiny as Britain prepares to leave the EU, taking their contributions with them. Therefore CAP needs to ensure that it strikes the balance between efficiency, safety and sustainability. European consumers deserve the highest quality food which is 100% traceable. To deliver this, farming needs to continue to produce high quality products while also simultaneously stepping up to the challenges of stewarding the environment and tackling climate change. Future CAP payments should be linked to rewarding the reaching sustainability targets, specifically regarding water, air and soil quality and build on their success of schemes to protect the environment, mitigating and adapting to the effects of climate change.

WHAT CAN IRELAND DO?

In addition to encouraging CAP to become greener and continuing to safeguard the highest standards of food production, the Irish government should be lobbying in favour of further digression of payments as the system has in the past disproportionality benefitted farming in more fertile regions with larger farms.

6 OPPOSITION TO TRANSNATIONAL LISTS

The Irish Government should oppose the introduction of transnational lists in European parliament elections. With 52% voter turnout in the 2014 European elections in Ireland and 42% across the block as a whole, YFG does not believe the answer to this is to introduce further distance between MEPs and their constituents. European election candidates should be campaigning locally, and be accountable to their voters and not trying to impress their party leaders in order to get further up any transnational list to have their seat guaranteed.

7 PARIS CLIMATE AGREEMENT

Climate change is one of the greatest challenges the world will face over the coming century. The EU should ensure the full implementation of the Paris Agreement by all Member States. Currently, the target of a global increase in temperatures of no more than 1.5-2.0°C during this century has no enforcement mechanism, although reporting of emissions and targets is mandatory. The EU has set a target of a 40% reduction in emissions by 2030. To ensure this target is met, it should increase funding available to Member States for decarbonisation and it should consider sanctions on countries who fail to make progress.

WHAT CAN IRELAND DO?

Ireland should lobby for increased funding in the Multi-annual Financial Framework (MFF) 2021-2027 for decarbonisation measures. We should lead by example by setting and meeting our own ambitious targets.

8 SOCIAL RIGHTS FOR THE SELF-EMPLOYED

Nearly 15% of EU employment is self-employment. The self-employed are the foundation for wealth generation in society, yet their access to basic social rights varies by Member State. Social welfare benefits should be available to all citizens, regardless of their employment status.

WHAT CAN IRELAND DO?

Ireland should support the European Commission which has proposed measures in this area. We should also encourage fellow Member States to extend social welfare benefits to the self-employed, as we have done over the past two years.

9

A EUROPEAN DEPOSIT INSURANCE SCHEME

In 2008 Ireland faced the worst banking crisis of any EU state, with 25% of our GDP being used for bailouts. These bailouts not only restored stability to Ireland, but to the EU as a whole. It is imperative that in a future crisis the mechanisms to restore stability operate at a European level. The EU's Banking Union is a set of policies towards that aim, with the Single Supervisory Mechanism (SSM) and Single Resolution Mechanism (SRM) already in operation. The missing piece in this puzzle is the European Deposit Insurance Scheme (EDIS) which would protect deposits up to €100,000 in the event of a failing bank. The EU should press ahead with EDIS and make it operational before another crisis hits.

WHAT CAN IRELAND DO?

Germany is most opposed to EDIS. Ireland should directly lobby Germany and make the case that it will benefit from the increased security on the European financial system.



Conclusion

Member States should go beyond filling the gap in the EU budget left by the UK's withdrawal from the EU, and each proportionally increase their contributions to the EU budget. This is crucial to allow the union to fund the new initiatives outlined in this document.

The current global political situation is widely regarded as increasingly unstable. Added to this, certain foreign powers are attempting to fundamentally alter the international order established by the western world and championed by the US. In this atmosphere the EU must emerge as a defender of the fundamentals of this order and a champion of the liberal democratic system of government. Internally, the EU must seek to restore public confidence in democratic institutions and improve the economic security of Europeans. In order to do this, we must strive to make the EU more **competitive, assertive and secure**.

YFG believes that only by doing this will **we build a stronger union**.

YOUNG FINE GAEL

Young Fine Gael (YFG) is the youth wing of the Fine Gael party and always welcomes new members aged between 15 and 35. YFG is the only vehicle for young people to seek political change in this country. As an autonomous youth organisation, it has the advantage of embodying the values of the Fine Gael Party, while maintaining the independence to express views of young people.

Members of YFG can also be members of Fine Gael and take part fully in the party at all levels. YFG has its own President and National Executive.

YFG believes strongly in the ideal of the European Union and is a member of the Youth of the European People's Party (YEPP) an organisation of one and a half million members. YFG has been influenced by the ideas of Christian Democracy and Compassionate Centrism. This means that YFG, like Fine Gael, evaluates everything and tries to move on what it sees as the right thing to do in each given situation. Over the years, we have developed wide ranging policies at this level, and in recent years we have been at the forefront of YEPP, devising successful and important policy resolutions on topics like improving EU banking regulations or introducing an EU-wide vetting scheme for youth and children workers.

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