

## 2023 REBUILD Annual Conference

This report was prepared by Jasmine Faudone and Elettra Bargellini (DCU Ph.D. students, School of Law & Government).

### **Friday 20 January 2023 – Roundtable discussions – Next Generation EU (NGEU), the Recovery Plan, and its implementation across the EU and in Ireland**

The [REBUILD Annual Conference](#) was followed by a **high-level roundtable** moderated by **Christy Ann Petit** (Deputy Director of DCU Brexit Institute). The main speaker was **Billy Kelleher**, a Member of the European Parliament (MEP) representing the Ireland South constituency since July 2019. He started by sharing his views on the direction the EU will take in the years ahead. Indeed, we can detect a solid shift in the EU after Brexit. Member States shifted their positions since the UK left the EU as it no longer acts as a counterbalance to some Member States' proposals for reforming the EU. He also emphasized that after Brexit, most EU countries moved away from the idea of withdrawal from the EU. There are two main reasons for this. First, most countries view Brexit as a failure. Second, after the Ukraine's invasion by Russia, the EU is perceived as a guarantee of security. This is a direct consequence of cooperation, which will be closer and closer between the EU and NATO.

He continued his speech by saying that the shift in EU funding is a positive factor, even if it has arisen from a difficult time. One key fact was recalled to the audience: the Recovery Fund is a concept that came from the European Parliament. Hence, the question now is whether this mechanism will become permanent. He reminded the primary goal of the Recovery Plan: to support EU Member States in their digital and green transitions, in order to make their economy more efficient. However, one of the issues might be that some countries use the funds only for public debt, not for their intended purpose. The other issue concerned the requirement of unanimity, which may lead to paralysis. He concluded his speech by saying that European citizens are aware of what the EU can achieve when we work together, like in the pandemic response.

**Christy Ann Petit** opened the floor for further discussions and debate. The first observation was on NGEU implementation. **MEP Billy Kelleher** said significant challenges are raised by climate change, the digital economy and strategic autonomy. On the one hand, global warming is a sensitive topic to address, particularly when it concerns Eastern countries, as they are still heavily dependent on coal. Overall, the politics of transformation can also be challenging across political groups in the European Parliament. On the other hand, he underlined that the EU does not invest enough in research. Indeed, after Brexit, the EU lost four out of top five Universities in the world. Furthermore, he stressed the fact that the EU's world competitors are not only in the USA with Silicon Valley, but that also Asia is becoming very advanced in the field. Finally, as far as strategic autonomy is concerned, he thinks that the EU is still dependent on skills and resources coming from other countries. For this reason, it is necessary to preserve trade and avoid isolation.

Later on, the discussion focused on EU fiscal policy and the suspension of some rules under the Stability and Growth Pact as a result of the pandemics. In fact, Member States perceived the need for a change in EU fiscal policy long before Covid-19 happened. In particular, a participant questioned whether or not the EU is in the process of changing its fiscal rules' framework. In this regard, **MEP Billy Kelleher** said that a good response could be to find creative solutions, while keeping flexibility within the rules. In fact, the next issue to face the EU is how to achieve fiscal discipline.

Another question focused on potential areas in national competence that could affect cohesion and whether they should be harmonised. **MEP Billy Kelleher** said it some areas could be further harmonised, for example healthcare, centralised procurement systems, and medical devices. However, he underlined the need to establish an EU self-funding system that is diversified, not necessarily by centralizing every tax.

In conclusion, he noted that there were dynamics both within and between the blocs of Northern and Southern countries within the European Parliament that affected the compromises made among political groups.

The previous panels' discussions are covered in an event report, available [here](#).