



HOUSE OF LORDS

Revised transcript of evidence taken before
The Select Committee on the European Union

Inquiry on

VISIONS OF EU REFORM

Evidence Session No. 4

Heard in Public

Questions 28 - 40

TUESDAY 27 OCTOBER 2015

3.50 pm

Witnesses: HE Claus Grube, HE Dan Mulhall and HE Witold Sobków

Members present

Lord Boswell of Aynho (Chairman)
Baroness Armstrong of Hill Top
Lord Blair of Boughton
Lord Borwick
Earl of Caithness
Lord Davies of Stamford
Baroness Falkner of Margravine
Lord Green of Hurstpierpoint
Lord Jay of Ewelme
Lord Liddle
Baroness Prashar
Baroness Scott of Needham Market
Baroness Suttie
Lord Trees
Lord Tugendhat
Lord Whitty
Baroness Wilcox

Examination of Witnesses

HE Claus Grube, Ambassador of Denmark to the United Kingdom, **HE Dan Mulhall**, Ambassador of Ireland to Great Britain, and **HE Witold Sobków**, Ambassador of Poland to the United Kingdom.

Q28 The Chairman: Good afternoon, Your Excellencies, ladies and gentlemen. Welcome to this public evidence session of the Select Committee on the European Union. As you will know, Ambassadors, we have already produced one report on the reform, negotiation and referendum process, which at stage one has been very much about the architecture of the process. We are now going on to a second report, which will, I think, continue our interest in the architecture but also enable us, I hope, to find out a little more about the substance. It is therefore very much appreciated that you have taken the trouble to come and see us this afternoon.

I reflected on the fact that we have 11% of the other member states' ambassadors present with us this afternoon and I suppose it is fair to ask what the organising principle is for that. I decided on two possible tests. The first one, which I was tempted to say I hope none of you remembers, is that a very long time ago, when I was a very junior researcher, there was a piece of public policy called the British bacon market sharing agreement. I think your three countries—and I believe possibly the Netherlands—were all participants with us in that, and I

suppose we could reflect, at 50 years' duration, on whether it entirely exemplified the principles of either competition or the free market. But I pass aside from that.

The much more substantive reason why we are so pleased to see you is because we have had from you as individuals and from your staff in your embassies unstinting support, friendship and an exchange of views that we have always found very comfortable.

Therefore, this afternoon, for the Committee, I am very pleased to welcome, beginning on my right, the ambassador of Denmark, Claus Grube, in the centre Dan Mulhall, the ambassador of the Irish Republic, and on the left Witold Sobków, who is the ambassador of Poland. We do very much appreciate your presence here. Rather a lot has happened in your country over the weekend, to which I am sure you are giving attention and we shall too. Thank you. You are very welcome.

This is a public evidence session, so it is on the record from now. You will be broadcast or podcast now, and we will prepare a transcript for your correction. Please remember that if, at any stage, you have anything you wish to add or send on to us we would be very grateful. Except where there are specific semi-bilateral questions, we will not structure questions particularly for one ambassador. I will leave it to your good sense or maybe indicate as we ask the questions how you might wish to take them.

The first question—and perhaps we will ask you in the order in which I introduced you—is: do you feel that you have a clear understanding of what the United Kingdom Government are seeking to achieve in their discussions on EU reform, ahead of the promised referendum? Perhaps, Ambassador Grube, you would like to go first.

HE Claus Grube: Thank you very much, your Lordships, for inviting us and me to this evidence session. Perhaps I could start with a few words on the Danish perspective on this issue, based on some of the issues coming up in the debate. We have stated very clearly in the Danish Government that Denmark should be as close to the core of the European Union as possible. We value our membership very highly and it is in our basic national interest economically and politically. We want to exert influence to the greatest possible extent in the European Union, and we do not think we would be able to exercise the same kind of influence if we were not members of the European Union.

We came into the European Union, together with Ireland and the UK, in 1973, and since then we have always had very close co-operation with the British Government, who have also performed a very active and constructive role for many years.

As far as your question is concerned, yes, we have had a constructive dialogue with the British Government on the four areas that have been up for debate—the so-called buckets—

where the British Government wish for changes. So far I can say that the dialogue has primarily been, let us say, on a general and more political level. The details still remain to be seen.

HE Dan Mulhall: Thank you very much. It is good to be here with my two colleagues. May I start by expressing our basic position? Everything I say will stem from this basic point of view, which is that we have a unique relationship with the UK and therefore it is a matter of considerable national interest to Ireland that the UK should remain a member of the European Union. We say that for three reasons.

The first is the positive impact of EU membership on British-Irish relations over the past 40 years—improvements generally. We have never had a better relationship with the UK than we have today, and this is, at least in part, down to our membership together of the European Union for 40 years.

The second point is that we have appreciated the positive impact of EU membership on the two Governments' joint handling of the Northern Ireland peace process and we would be concerned about possible negative implications for Northern Ireland and for north-south relations were the UK to decide to leave the European Union.

The third reason is because we actually like the influence that Britain brings to bear within the European Union. On a whole range of issues we tend to be on the same wavelength, so for us it would be a loss if Britain were no longer to be around that table with us in the future. That is our basic point of view.

On the question that you raised, yes of course we follow this British debate very actively. We have had very extensive discussions with the UK on the subject of their needs and requirements for the future, and we discuss with them at official and political level. Our Prime Minister has had discussions with your Prime Minister—the Taoiseach has had discussions with Prime Minister Cameron; our Minister for Foreign Affairs and Trade has also had extensive discussions with the Foreign Secretary, and just last Friday, indeed, our Minister for European Affairs, Dara Murphy, was here to meet with David Lidington. So we have a very good understanding of Britain's position as it currently stands, but we understand this position will need to be elaborated further in the weeks and months ahead.

The Chairman: Thank you. May I ask a subordinate question, having started with a rather jocular reference to public policy 50 years ago? My recollection of that time was that in some respects the interests of Ireland were seen as different from the United Kingdom's—one is a major agricultural exporter, for example, and one is an importer—and with, I suppose still, some strong memories of the difficulties we had in the early part of the 20th century. Asking

in confirmation, is it your impression that in so far as there were differences of interest or perception, those have tended to be eroded by our process of joint membership?

HE Dan Mulhall: Indeed, I can remember the period before Ireland joined the European Union. In those days we had what was called the Anglo-Irish free trade agreement, but it was a very asymmetrical relationship, I have to say. My earliest memories are of TV news footage of groups of Irish Ministers boarding an Aer Lingus plane in Dublin to fly to London seeking trade concessions from Britain. That is not a very positive basis for a relationship between two countries. I remember in the last 40 years—I have been involved for most of it myself—the way in which we have come to understand Britain more fully. For example, today in Brussels I would hazard a guess that there are probably 100 meetings going on within the European Union's structures at various levels. At each of those meetings there is an Irish and a British delegate, and probably before the meeting they have had a quiet word to compare notes. There is no substitute for that sort of dialogue, which, frankly, we did not have before we joined the European Union. It has allowed us to see the areas where we have more in common than we might have realised before we joined the Union when we had this rather intensive and awkward bilateral relationship. We would not want to go back to the situation where we had to create a new bilateral relationship with the UK outside the European Union. It is far better for us to have a partnership within the Union.

HE Witold Sobków: Thank you very much, your Lordship. I am honoured to be here, just as my colleagues are, and I am very happy to share some views of the Polish Government. Let me start by saying that, for us, the UK is a crucial partner in the European Union and one of our key allies in NATO, so we attach much importance to the relations with the United Kingdom. I can assure you that this Government at the moment—and the future Government—will attach the same huge importance to the relations with the United Kingdom.

As far as the renegotiation is concerned, not long ago the Prime Minister visited Poland where he met our Prime Minister, and they discussed all four areas that the United Kingdom sees as requiring reform. Also, our new President visited the UK recently and had very extensive talks with the Prime Minister at No. 10 Downing Street. So, as matters stand at the moment, we have quite good knowledge about the areas that Britain would like to discuss in the renegotiation process. But, of course, some terms evolve and some names of headings change, so we would very much like to receive details about proposed reforms and we would be happy to start negotiating them. We are waiting for the letter that the Prime Minister has promised to send to President of the European Council Donald Tusk, and we hope we will

have then more precise information as to what the UK would like to change in the European Union.

Lord Davies of Stamford: Briefly, could I ask Ambassador Sobków to tell us how he thinks the new Polish Government may change its European policies? Mr Kaczyński was always regarded as very anti-European, so it would be surprising if there was no change in policy at all in relation to matters concerning the European Union, including the British renegotiation.

HE Witold Sobków: It is very difficult for me to comment on the new Government since it has not been formed yet. The first sitting of the parliament will probably take place in the middle of November. Then we will have the new Government, and we will see who the Minister of Foreign Affairs and the Minister of European Affairs are. I think it is a myth that Mr Kaczyński is Eurosceptical. He just looks at certain things as a Eurorealist, I would say. Let us wait for the new Government until it presents very detailed policies regarding the European Union and other matters.

The Chairman: Thank you. That leads in very well to Lord Liddle.

Q29 Lord Liddle: Your Excellencies, two of you have spoken about having a good grasp of the Government's general aims in their renegotiation. How would you characterise these in terms of a vision for Europe's future? What is your view of the British Government's vision for the future of the European Union?

HE Claus Grube: The details still remain to be seen, but on the general approach in the four areas that we have seen until now, in some areas we broadly share the British Government's vision when it comes to enhancing competitiveness, for instance, or strengthening the internal market. We also have some concerns regarding access to welfare benefits, although our specific solutions might not be exactly the same as those the British Government seek.

Regarding the relationship between the Euro ins and the Euro outs, Denmark has its own opt-out, and it is therefore important also for us that matters that concern all 28 member states are actually discussed and decided upon by all 28 member states. On other areas we take a different approach. First, we want to achieve solutions through changes in secondary legislation, and, secondly, as I said, we want to remain as close to the core of the European Union as possible. For us, it is extremely important to remain an active and constructive member of the European Union.

Lord Liddle: Lord Chairman, could I come back on that? What I am probing for is this. I know these are the Government's objectives, but the question is: what vision of the future of the EU lays behind this? A vision of the EU cannot be defined by changes in welfare benefits,

important though those issues may be. What is its place in the world? What is your impression of the Government's vision of those big issues?

HE Dan Mulhall: As I see it, the British Government's position, as set out in public statements and indeed in consultations we have had with them, is a set of issues that they have identified that the Government believe need to be dealt with in order to enable them to argue for a vote to remain in the European Union. I hesitate to talk about the vision of the European Union. Our position is quite clear: we are staying in the European Union, we are a member, and that is that. We have a desire to make the Union more effective, to make it serve its purpose more fully and more efficiently, but the vision for Europe is contained within the covers of the European treaties. That is where the European vision is set out. Of course that vision can evolve—and it has evolved—in response to circumstances, but it can only evolve with all 28 member states having ownership of whatever new direction may be determined. We see this, in a way, as a little akin to the situation we were in after the first Lisbon treaty referendum where we needed to get accommodation for certain Irish concerns, which we succeeded in doing. It seems to me that the British Government's position, as outlined publicly, contains a set of issues of concern here that they want to have addressed, but the only way that those can be addressed is jointly by the 28 member states working together and reaching agreements.

The Chairman: I do not want to put words into your mouth—and you clearly will not want to make a qualitative judgment on what has not been negotiated yet—but from what you have seen so far, is there any sense in which what the British Government are feeling for is inimical or difficult to achieve within terms of your interest and indeed your colleagues' interests as member states? Is there anything that is a step too far, as it were? We can come to Poland in a minute.

HE Dan Mulhall: At the moment, as we understand the outline, there is nothing that we have said we could absolutely rule out, but obviously it will depend. I remember this very well because I was the head of the European division when we were negotiating our protocol following the first Lisbon treaty referendum. At that time, we had to persuade the other member states that the issues we raised were important to us and that they could be accommodated by the other member states without damaging their interests. It seems to me, from what we know at the moment, that all these things can be negotiated. If we had said at the very beginning of our process, "Can you all agree to it now?", everyone would have said, "No, we cannot", but at the end we obtained agreement and satisfaction for the issues that

were of concern to us and that had emerged during the first Lisbon treaty referendum in Ireland.

HE Witold Sobków: The Prime Minister has said that he aims for a process to benefit all the members of the European Union. If this is so, we are ready to discuss anything that will be presented to us as specific proposals. On some things I think we will easily agree, such as reducing red tape, enhancing competitiveness, i.e. making Europe more competitive vis-à-vis established powers or emerging powers—things of this kind. Poland is not in the eurozone. It has a derogation, so our future is different from the future of the United Kingdom. You have an opt-out; we have a derogation. We will have to join one day, but at the moment we are not members of the eurozone, so we are interested in the discussions about the relations between eurozone and non-eurozone countries. In all those areas we are ready to talk to our British partners on condition that all the solutions are non-discriminatory, that they will be done in accordance with the EU law and if we can reach a consensus. We want to help Britain because it is in our interests to have the UK as a very active member of the European Union. There is good will, I think, not just on the part of my country but on the part of all the countries of the EU.

Q30 Baroness Falkner of Margravine: This is particularly to the Polish ambassador, but if any of the others want to comment, they may. It is in the context of the eurozone and economic and monetary union. You will have seen the five Presidents' report and a road map until 2025 of quite significant changes that are coming down the road. Particularly in the case of Poland but also the others, in terms of the United Kingdom's vision on the question that you have just been addressing, do you see British concerns about the direction of travel envisaged in this report?

HE Witold Sobków: Yes, we see British concerns. We agree that the whole process of the reforms in the European and monetary union should be transparent and inclusive towards the non-euro countries. The integration of the eurozone should not jeopardise the integrity of the single market in any way and it should not be disadvantageous to the interests of the non-euro member states, because it is a matter of principle. We come from a different starting point because we are a "pre-in" country and it is written in our accession treaty that we will have to join the single currency, and we know that we need to be very careful not to create any divisive lines. We should have a lot of understanding for countries from outside the eurozone. We think that the judgments of the Court of Justice may be helpful in this: for example, the recent judgment dismissing the ECB location policy for central counterparties. We had a double majority solution that was supported by Poland, which was a British idea.

I would like to add that the eurozone - non-eurozone division—one that is often quoted—is oversimplified; perhaps we should rather speak about liberal and less liberal countries, because we differ inside the eurozone and outside the eurozone. Those divisions between the euro and non-euro lines are not as strict as some people think. We are also flexible inside the group.

The Chairman: I know Ambassador Grube is raring to go on this one, but I am going to move on from the eurozone for the moment because we want to squeeze the lemon a little more on the vision side, and then we will go on to other things and return to that. I assure you that you will get a chance to do that.

Q31 Baroness Prashar: In listening to you, it is clear that we are all grappling for what kind of vision we have for Europe, but from what you know and what you understand at the moment to what extent is the UK's broad vision shared by your Governments and other stakeholders in your country?

HE Witold Sobków: For example, on the first area we share almost 100% of British positions. We want to boost competitiveness in our economy. We know that there is pressure from third countries on the European Union, and unless we become more competitive we have no chance to face the competition from those countries. We need to complete the single market. We need to work on the freedom of the digital market in the European Union and so on. In this area, for example, we share the British concerns almost 100%. We could subscribe to this part of the Bloomberg speech.

On the eurozone and non-eurozone countries, I would mention the similarities and differences, but, as I have said, we understand the British concerns even if we are a “pre in” country and Britain has an opt-out.

On sovereignty, we share a lot of British concerns and the British position on the role of the national parliaments, for example, and increasing democratic legitimacy in the European Union, overseeing the actions of the Executive by the legislative chambers, et cetera. This is what we are ready to talk about, but we think that in some areas the existing possibilities have not been used so far so much, such as the yellow card, or the orange card, which has never been used. We should use the existing possibilities more.

In the fourth area—the most difficult for us, perhaps—of free movement of people and social welfare benefits, we are ready to discuss all the detailed proposals of the British side, on condition that they are non-discriminatory. Then we are open to discuss them. Of course we agree that we should fight any abuse of the system, sham marriages, bogus colleges and things of this kind. We should work on other things in this area. We see three packages, somehow,

here in this area, some requiring treaty changes, some requiring amendments in the secondary legislation and some just regarding the national legislation here. So we are open to discussions. As I have said, we want the UK to remain in the European Union.

Baroness Prashar: Does anyone else want to come in on that?

HE Dan Mulhall: From my opening statement, you can infer that we want the UK to remain within the European Union. Therefore, we would want to accommodate not the UK's demands but its requirements. As I said earlier, the headings that have been put before us are certainly all things that need to be discussed and we would approach these discussions with a sympathetic ear. Our Minister, when he was here at Chatham House last month, said that we would be supportive of the UK in helping to "achieve reasonable reform objectives", but he also said we must be respectful of our 26 other partners.

If I take the items very quickly, on the ins and outs question we have a very strong commitment to the single market. That is something that we share very much with the UK. We have benefited enormously from the single market, as the UK has, because we are a very open economy. We want to see our economy developed further, we want to complete the single market, we want the single market to extend into the services area, we want the digital economy to be developed, we want greater flexibility, and so forth. So, on that, we fully share the UK's position.

Following on from that, naturally we do not want to do anything within the eurozone that would undermine or compromise the single market. In fact, a little while ago there was a proposal to hold a meeting of Social Affairs Ministers of the eurozone countries, and we had reservations about that, which we expressed. So you can take it that, with regard to the relationship between the eurozone ins and the non-eurozone member states, we want to see all that is relevant—

Baroness Prashar: Parity.

HE Dan Mulhall: —being done at 28 level, but, naturally, there will be things that the eurozone countries need to do together in order to improve the operation of our currency. That we will do, and I do not think the UK would have any objection to the eurozone countries doing the things that need to be done to ensure the success of the eurozone, which is our currency.

In relation to national parliaments, all my career I have been puzzling over the issue of how to give them a role. There was a certain amount of work done in the Lisbon treaty in this area and it is certainly an area that needs continuing attention, it seems to me.

As to the issue of welfare benefits, we have benefited from the four freedoms and we have a very strong belief in the value and importance of free movement of labour. We opened our labour markets in 2004 to the new member states, and Polish is now the second most widely spoken language in Ireland: 110,000 people, according to our last census, spoke Polish at home every day in Ireland. That is a remarkable transformation. I believe that we have a slightly higher percentage of people born outside the state in our population in Ireland than you have here in the UK, but obviously while we support the principle of free movement, we do not support anything that involves abuse of welfare systems. We are quite open to discussing these things, and if these problems arise they can be dealt with and should be dealt with.

HE Claus Grube: Thank you very much. I do not have much to add. As my Irish and Polish colleagues have said, yes, we want the UK to stay in the European Union but not just for the sake of staying. We want the UK to continue to play an important role in the European Union and to be a strong and constructive partner to us, because that is important not only, we believe, for the UK but for the European Union and for my country. But on the so-called visions, or the four buckets, the level of ambition needs to be realistic. Other member states have their own legitimate concerns and they also sometimes face domestic constraints, which have to be taken into account. We should also seek solutions by 28, and all 28 member states would have to agree to it. That is why we must take into consideration that some changes will have to pass through the European Parliament. So the process in itself might lead to some discussions.

As I said, in relation to competitiveness, growth and employment, we all share that vision. It already forms part of the strategic agenda of the European Council and the Commission's work programme, and with the better regulation part of it and so on and so forth.

As to the issue of the euro, I want to be very clear that we have been leading the debate both on the meeting of the eurozone countries in the EPSCO Council, which we, formally speaking, have been very critical about—also supported by Ireland and Poland, I believe—and we think that the discussion about the use of the EFSM in the bailout of Greece was not the correct way to proceed. We share all of that.

However, as far as the five Presidents' report is concerned, we have to distinguish three different aspects. First, on the matters linked specifically to the euro, we think it is fully legitimate for the euro countries to discuss that among themselves, and we recognise and respect that, but what we would like to see is that the euro countries deal with the matters in full transparency with the non-euro countries such as Denmark, the UK and Poland. As I said

at the outset, whatever concerns the 28 has to be decided by 28. That is why we do not support new euro group formations or a special eurozone committee in the European Parliament. We do not support these kinds of divisions, all of which can lead to new dividing lines or a clear-cut split between the euro countries and the non-euro countries. It is not in our interests; it is not in the Danish Government's interests. If steps are going to be taken where you will differentiate more clearly between the ins and the outs, thereby formalising a split in two in the European Union, that would not be in our interests. As to the—

Baroness Prashar: Thank you very much.

Q32 The Chairman: At this point it would be helpful to say, as I rather anticipated when we set this up, that we would start with some general questions and they have raised, obviously, issues of specific engagement. We will come back to some of those in a moment. The sensible thing is to take as read things you have said before and to concentrate on the specific.

I would like to break in at this point and ask a short question, because it is quite important to be clear on the record. To use phrases that have been used occasionally around Europe, I have two questions, the first of which is: is there any price too high, in the context of what you have said, which is supportive to the United Kingdom's interests? You have said you would like us to be there, but is there any price too high, and, if so, is it your understanding that Her Majesty's Government are aware of that factor and will negotiate appropriately? I do not know who would like to start on that rather fast ball? Ambassador Grube?

HE Claus Grube: I cannot foresee what will come out of it, but I have based all my replies within the scope of the four things presented by the British Government. If other issues come up, we will have to take a position on them. I expect, at least for this discussion, that it would be within the scope of those four issues.

HE Dan Mulhall: In my 35 years' experience of being involved in EU affairs, the European Union is a compromise-making system and—at least in my experience, even at times when it looked as if compromise was impossible and irreconcilable positions were being expressed—the Union has a gift for finding common ground and reaching agreement, which is one of its great strengths. We have to look at this as a negotiation and as a negotiation that everyone goes into looking for a positive outcome, but that requires give and take, with not everyone getting everything they want, and that is the way the Union has always operated. That is the great beauty of it as far as I am concerned.

HE Witold Sobków: We attach much importance to the four freedoms of the European Union and it is very important for us not to have any kind of cherry-picking regarding the four basic freedoms of the European Union. But, as my colleagues have said, we are ready to negotiate

with an open mind outside the box, wanting to help as much as we can, on condition that any solution is non-discriminatory, because we believe in the unity of the European Union, in the strength of the single market and in the solidarity inside the European Union.

The Chairman: We will go on to Lord Jay in a moment and perhaps in order, as we would say, to rest the bowling, we will reverse it and ask Poland to contribute first and then change from there. We will not do it on a necessarily narrow mathematical basis, but it would be a good idea if you would like to put your question.

Q33 Lord Jay of Ewelme: Thank you very much. In his Bloomberg speech in 2013, to which reference is constantly being made, including by the Polish ambassador just now, the Prime Minister said that while the “first purpose” of the EU to secure peace had been achieved, the “main, over-riding purpose” of today’s EU was “not to win peace, but to secure prosperity”. Given the rather shifting geopolitical context at the moment, particularly perhaps in and around the margins of Europe, do you think that analysis is still valid, and in particular where does the ensuring of peace—the making of peace—stand in your view in the EU’s core responsibilities?

HE Witold Sobków: We very much agreed with the Prime Minister when he said his aim is to boost the competitiveness of the European Union economy and when he mentioned the aim to secure prosperity, because, as I have said, we face competition from the emerging economies and we need to face it. Unlike many European countries, Poland has had a very good economic situation, but, for us, the EU was the main instrument for increasing prosperity in Poland. We recognise that this is one of the aims that is important. But securing peace is also important, and I deplore the fact that a lot of young people forget about the role of the European communities in the past. For them, this is the distant past and for us it is not, and we know why the European communities—the European Union—have managed to secure peace in Europe. This is a very important element of being a member of the European Union. For us it is not just the single market; there is also this extra element of security that we have from our membership of the European Union, despite the fact that our NATO membership is the cornerstone of our defence.

Lord Jay of Ewelme: Would you say that over the last few years this has become more important than it was perhaps four or five years ago—the sense that we should not regard the maintenance of peace as something that has been done, has been completed, and we need not worry about it any more?

HE Witold Sobków: Definitely the younger generation, in a globalised world, look at things from a slightly different perspective, and they will go wherever there is a good job. If it is in

Singapore tomorrow, they will go to Singapore; if it is in Japan, they will go to Japan. We have faced a lot of changes, including different attitudes to patriotism, to the nation state, et cetera, but for us, for my generation, preserving peace after the Second World War is to a huge extent thanks to the European communities and the European Union. That is why in Poland, after 1989, we wanted so much to become a member of the EU and a member of NATO.

HE Dan Mulhall: For us, the EU has helped to transform Ireland over the past 40 years by giving us economic opportunities that did not exist before we joined the European Union. It has also, we believe, helped to amplify and develop our foreign policy, because, as a member of the European Union, we have contributed to the evolution of the common security and defence policy. I know, for example, that the two great aims behind the Lisbon treaty, as I recall them, were to make the Union more effective in its decision-making, more democratic by giving more power to the European Parliament and to national parliaments, and to give the European Union a more coherent and effective voice in world affairs. Unfortunately, after the Lisbon treaty was ratified, the focus of all of our attention switched necessarily to the grave economic crisis that we suffered. I cannot think of any regional or global challenges that are not best confronted by the European Union acting together, and indeed our recent foreign policy review—“The Global Island”—just to quote from it, says the EU “has reshaped our continent and its wider neighbourhood” through the enlargement process, for example, and, “By acting together, we are better able to navigate a fast-changing world, and to promote the interests and values we share...”. As Europeans, our values and interests are interlinked, and the EU leads in promoting these values globally and in safeguarding our collective interests.

I would add, by the way, that the European Union has played a very positive role in helping to bring peace to Northern Ireland. EU membership has encouraged and supported greater north-south co-operation as it has helped to change the context of the British-Irish relationship, which in the past was very fraught and today is in a very good condition; and the EU peace programme has provided important underpinning for the long-term work of reconciliation and economic recovery in the communities affected by the troubles.

HE Claus Grube: On this specific issue, raised in the Bloomberg speech by the Prime Minister, we do not have any official position, but could I just say that we should never forget that the original purpose of the European Union—and I agree with it—was to win peace between the EU member states, which were former enemies? I agree that the overriding objective today is not necessarily to win peace, but I still believe that an overriding purpose of the European Union is to maintain peace among the EU member states by securing prosperity

and security within our group of friends and partners and for our citizens. I think, as also indicated by my Irish and Polish colleagues, that especially the presence of my Polish colleague here bears witness to the central role that the European Union has played in maintaining peace and stability and raising living standards in the European Union after the fall of the Wall and in German reunification. The European Union has been instrumental in this pan-European democratisation process, and Denmark, as a border country to Poland—there are only 24 kilometres between our two countries—and to eastern Germany, which is also as close as Poland, is one of the first countries that highly appreciates the role being played there by the European Union. I still believe that it is an important part of our daily work.

The Chairman: We will go straight on to Lord Green, if we may.

Q34 Lord Green of Hurstpierpoint: Reverting to economics and commerce, the UK Government continue to emphasise, both in their daily business in Brussels but also as part of their strategy for renegotiation, the importance of competitiveness and flexibility. All three of you in your opening remarks referred to the importance of competitiveness and flexibility. It is interesting that in the public debate in this country, which, as you know, is very divided, even the Europhiles tend to emphasise the importance of competitiveness and flexibility, and a core part of the Eurosceptic proposition is that we would achieve greater competitiveness and flexibility if we were not in the EU. So it is fundamental to the British vision, for want of a better word—to revert to an earlier discussion—of what the EU is about: that competitiveness, flexibility and the single market are core to the proposition. It is as if the British, both Europhiles and Eurosceptics, see the European Union as essentially a trading bloc and a single market.

My question is whether in your country's thinking about the European Union—and your sense more broadly of the European Union perhaps—that priority ranks as high, or whether there are other broader and different sorts of objectives that are equally important in the minds of your Governments?

HE Claus Grube: As I indicated before, the objective of enhancing and strengthening the European Union's competitiveness and creating more jobs and growth is in the forefront of our minds as one of the main objectives for the present period in the European Union, so we are very much on that line. I also believe, as I said, that it is already inherent in the present work programme of the European Council and the Commission.

As to flexibility as such, Denmark—my country—is one of the examples of the flexibility that is already a fact in the European Union, and we confirmed in the European Council

conclusions in June 2014 that, “In our Union, different degrees of cooperation and integration exist”. It is a statement of fact. In relation to this flexibility discussion, we can look into further expanding in that direction. The positions of Denmark and the UK are clear examples. We both have an opt-out from the euro. We have a referendum in Denmark on 3 December trying to change our opt-out on justice and home affairs to an opt-in, as the UK and Ireland have, and I hope we will then be able to follow the UK and Ireland in that. We are not part of the European defence policy, contrary to the UK, but we are in the Schengen area, contrary to the UK, and we are considering the possibility of acceding to the banking union as we are in the fiscal union. So there are a lot of possibilities for flexibility already.

As to the trade agreements, we strongly support the expansion of the free trade agreement. Denmark is an exporting country. We export two-thirds of our gross national product. We have never seen the European Union as any impediment to our exporting or competitiveness. On the contrary, we see it as enhancing and strengthening our possibilities of exporting and competing, when we have 500 million people behind our wishes and demands when we negotiate with important countries such as India, China, Vietnam or Japan, and whoever we are negotiating with. We see that as a clear advantage to our future.

HE Dan Mulhall: We have one of the most open economies in the world. We have a very small domestic market and our exports are greater than our GDP, so we are up there with Singapore and Hong Kong in our openness. Also, the amount of foreign direct investment in Ireland, for the size of our country, is enormous. For us it is a total no-brainer. We absolutely need to be competitive on global markets, and therefore, within the European Union, we tend to side with those countries that focus on openness and economic flexibility, because that is a vital priority for us. That is why we tend to see eye to eye with the UK on a whole range of issues. For example, during our EU presidency a couple of years back, we prioritised the completion of a single market, in particular to develop the services sector of a single market. We launched the negotiations on TTIP, one of our big priorities. We are totally in favour. We would probably benefit from TTIP hugely because of the strong trading relationship that we have with the United States, with 1,000 US companies having bases in Ireland. We could not be more supportive of this agenda of making the Union—the EU economy—more flexible, more effective and more competitive for the future, because we understand how vital that is to our interests.

HE Witold Sobków: It is also vital to us, and Poland has received a huge amount of structural and cohesion funds from the European Union. Our membership has not only amplified our foreign policy but helped us develop to such an extent that we have not had an economic

crisis recently. When it comes to flexibility, we think that a certain degree of flexibility in designing the future course of the European Union is necessary, but always taking into account the need to preserve the single institutional framework of the European Union and the integrity of the single market with its four interlinked freedoms.

On competitiveness, in this globalised world we need to ensure a suitable environment for entrepreneurship, and this is crucial for all of us. So we follow closely the British experience in this respect, the initiatives aimed at new technologies, the public/private sector collaboration, fighting against red tape and promotion of good or better legislation, et cetera. This is what we can learn from the UK. But let me add a last sentence in this respect. A lot of requirements or British views on this have been addressed by the current European Commission: for example, the call for reducing the legislative output of the EU, a greater focus on concluding trade deals, or the development of the digital single market. Commissioner Timmermans has been working very hard on this. This is also a positive reply to the British postulates.

The Chairman: We have a different question now from Lord Tugendhat.

Q35 Lord Tugendhat: It is a very different question. The preamble to the EU treaties refers to the establishment of “an ever closer union among the peoples of Europe, in which decisions are taken as closely as possible to the citizen”. Could I ask you, please, how you believe this phrase is interpreted and the meaning and the aspiration in your countries?

HE Claus Grube: Let me say straight away that the Danish Government do not have any problem with that phrase in the preamble to the Lisbon treaty, but it has been part of the treaties, I believe, since the Rome treaty from 1958. If my memory serves me correctly, I think it is also part of the accession treaty of the United Kingdom, Ireland and Denmark to the European Union. The specific wording was somewhat softened when we negotiated the constitution treaty, at which time I was permanent representative to the European Union and followed all the steps for 10 years. As far as I recall, it was also supported by the British Government at that time.

Lord Davies of Stamford: It was suggested by the British Government.

HE Claus Grube: So when we all ratified the Lisbon treaty I imagine that no one at that time thought much of the consequences. I was very happy that Lord Tugendhat actually referred to the whole sentence, because often in the debate in the United Kingdom you only refer to the “ever closer union” and forget “among the peoples of Europe, in which decisions are taken as closely as possible to the citizen”. By the way, I also note that the “union” is spelled with a small “u” and not with a big “U”, so it is an “ever closer union” of peoples. Then you have the

subsidiarity element at the end. Personally, I can say that we have never considered that particular phrase as having great importance, but it has a symbolic value, I believe, in many aspects.

HE Dan Mulhall: We have had, I think, eight or nine referendum campaigns now on European treaties of one kind and another, and, as far as I recall, the phrase “ever closer union” has never been the focus of particular attention in public debate in Ireland, but we recognise that it has different meanings and implications and raises concerns elsewhere. It seems to me that the EU concerns on this issue have already been acknowledged by the European Council in its June 2014 conclusions when it was “noted that the concept of ever closer union allows for different paths of integration for different countries, allowing those that want to deepen integration to move ahead, while respecting the wish of those who do not want to deepen any further”. As we see it, any deepening of integration that might facilitate the attainment of or progress toward an ever closer union would require a treaty change and a unanimous decision on the part of member states.

I should say that we are very comfortable, and have been throughout the duration of our EU membership, with the idea of the pooling of sovereignty and the enhancement of our effective sovereignty by working together within the European Union. This particular issue has never raised its head in the very many debates we have had about a succession of treaties in Ireland, but we recognise it is something that has a significance here and perhaps the European Council conclusions of 2014 may offer some kind of solution to how that issue might be dealt with.

The Chairman: When I call on Ambassador Sobków, I wonder if he would reflect—we have been rather reticent in encouraging you to express the views of other member states outside your three because we want your views—and share with us any sense in whether there are other countries than the United Kingdom that are worried about this sort of concept, or are we on our own really? If there were to be such a change, does it need treaty change or can it be glossed in another way?

HE Witold Sobków: For us, the “ever closer union of peoples” is crucial. It is one of the founding principles of the European Union and has not created any problems in Poland, but we understand that for countries like the UK it may be an important thing in the renegotiation process. For us, it is clear from the definition that the “ever closer union of peoples” is not tantamount to a call for the creation of a superstate in Europe. We would not be interested in such a scenario. We think that nation states should and will play a very important role in the future of our continent. In several areas we need less Europe and in several areas perhaps we

need more Europe. That is why we believe in the two-way subsidiarity, and the Council conclusions from June 2014 are a useful reminder of the concept, offering us different paths for different countries. In fact, Britain is not in the Schengen zone and it is not in the eurozone. We have differences in the European Union, but I am not able to comment on the policies of any other country.

Lord Tugendhat: Can I try and put it this way, especially as two of our ambassadors come from Catholic countries? Would you agree with me that this is not so much a matter of faith and dogma? Rather, it is an aspiration open to different interpretations in different countries. It is not a matter of faith and dogma but something different countries can interpret in different ways.

HE Dan Mulhall: That is a very valid observation. I am not sure about faith and dogma and I am not sure I am able to make any comment on theological questions; I am not well qualified for that, I am afraid. I do not recall any occasion over the past 35 years when somebody said, “We must do this because it says in the treaties that we must create an ever closer union”. It has no direct operational impact, it seems to me. As I said, if we were to go down that road of actually deepening our integration, in most cases it probably would require a treaty change and, therefore, the unanimous support of all 28 member states. If anyone in Ireland has concerns about that phrase, they have not actually raised them, and if they did raise them the answer would be that our position, if you are worried about a superstate—and I do not see that as being in the offing either any time soon—is that anything you do to deepen integration to transfer more powers to the European level would have to be agreed by all 28 member states. That protects our position, as we see it, but other countries may see it differently.

The Chairman: If there are no more comments on that, we have about five more topics and five minutes each for them in your timescale, but we are hugely grateful for your efforts. If we all collaborate, we can get some thoughts quickly. One we have partially rehearsed but not completed.

Q36 Earl of Caithness: Your Excellencies, can I take you back to the eurozone, please? Can you envisage that there could be a sustainable agreement between the eurozone and non-eurozone countries in any reform process to the extent that one envisages Britain being the only country in the EU outside the eurozone? That is my first question. Another one will follow.

HE Witold Sobków: At the moment, it does not seem very likely in the near future that Britain will be the only country outside the eurozone, I think, so it is a medium- or maybe a long-term perspective.

Lord Davies of Stamford: Are Sweden going to join?

The Chairman: Let us leave that.

HE Dan Mulhall: As I said, partly because of our close economic relationship with the UK, we are very sensitive to this issue of the need to respect those who are not members of the eurozone. Everything can be negotiated, but it seems to me that, as in all these areas, it will depend on finding a level of ambition that everyone can subscribe to. Clearly, the eurozone member states need to be in a position to take decisions within their own field of interest and competence because it is about our currency, after all, and it cannot be the case that those who are outside the eurozone have a veto over what the eurozone does, but at the same time I think we have shown over the past number of years our own particular sensitivity to the concerns of those who are outside the eurozone. The last thing we would want to do is to have the eurozone do things at the eurozone level that really belong to the 28. We are very strong on that: the 28 must be the level at which issues that are within the framework of the EU treaties are discussed. The eurozone is a separate matter. It has a particular focus, and that is relevant only to the 19 member states. Where there are overlaps, it is an area where we need to be sensitive and respect each other's prerogatives, in my view.

The Chairman: Do you want to come back on that, Ambassador Grube?

HE Claus Grube: Yes. As I said earlier, we share the British concerns in safeguarding the interests of the 28. We have an opt-out from the euro. I also stated that if somebody wants to make new dividing lines and formalise splits between the euro countries and the non-euro countries, we would not like to go that way, because even though we have an opt-out we would always like to maintain the option of lifting it, even though it might not be tomorrow. We would like to maintain the option of lifting the opt-out at a later stage, whenever it might be possible. We are part of the fiscal compact, and, as I also said, we are considering the possibility of entering into the banking union. No decision has been taken up to now and we would like to maintain the option of moving into the eurozone at some time in the future.

Earl of Caithness: Can I follow that up? The next difficulty is the link between the eurozone and the internal market. Very recently we saw a directive on restructuring EU credit institutions. The UK obtained some substantial concessions for that which made for more bureaucracy, and therefore Britain was fighting against the whole principle of the single market or the internal market because it was taking an independent view for the pound and British banking system rather than the eurozone banking system. Surely, that is going to become much more of a problem as the eurozone integrates fiscally and monetarily. Do you perceive that as a difficulty or something that can be adapted and lived with?

HE Claus Grube: Sometimes in the public debate, and in the euro, it seems as if the euro is a precondition for the internal market, but basically speaking in my opinion it is the other way round. You cannot have a currency without having a real economy to support it, because the currency is the reflection of the real economy. It is not the other way round. Therefore, the well-functioning of the internal market is of primordial importance to the well-functioning of the European Union and of the euro for those who are participating in that. That is why we support the strengthening of that. It is true that if you have a situation whereby the euro countries can form a qualified majority and thereby present us outside the eurozone with a fait accompli when we come to the internal market or the Competitiveness Council, that would not be acceptable to us. That is why we think that the eurozone countries should deal with their issues in a more or fully transparent way. One way of doing it, in my personal opinion, is that the out countries could become observers in the eurogroup, for instance, and thereby participate in the discussions that they might have and maybe take the floor without having the right to vote on the issues. That is why we think there should be full transparency both ways in order to safeguard the well-functioning of the internal market by 28.

The Chairman: Are there any further comments on that?

HE Dan Mulhall: There is clearly an issue there. It can be discussed, I think it will be discussed, and I would hope that some reasonable set of agreements can be reached in this area, because it is important. If there are problems between ins and outs at the moment, can you imagine what it would be like if Britain was outside the European Union entirely? Then the problem would obviously be in some ways much more acute.

The Chairman: We will go on now to a question about welfare. I suggest that perhaps Baroness Wilcox directs that to Poland and the others can comment if they feel they need to.

Q37 Baroness Wilcox: Thank you very much indeed. In fact, Ambassador Mulhall and Ambassador Grube have already referred to welfare, but maybe this is a different context. The UK Government have stated that one of their priorities is to “reform welfare to reduce the incentives which have led to mass immigration from Europe”. What is the position of your Governments on this objective?

HE Claus Grube: Perhaps I can start and then you can follow up. As I said before, the issue on welfare payments is also part of the debate that we have in Denmark. On certain areas we share the views of the British Government. In relation to the revision coming up on Regulation 883/2004, which is regulating access to social benefit, a key issue for us is the entitlement to unemployment benefits. At present, EU citizens in Denmark have to work 296 hours, which is approximately three months, before they are entitled to unemployment

benefit, and we want to maintain that rule. Another issue is the exportability of unemployment benefit where the Commission might want to extend it from three to six months, and we would not like to go down that road. Then we have the exportability of child benefit or family care benefits, and in Denmark we are looking at the possibility of seeing whether it would be possible to change the European rules—the actual rules—in order either to make it the country of residence of the child responsible, instead of the country where the parent is employed, or we would like to see whether we could limit the exportability of the family child benefit. So in some of these areas we share the views of the British Government, and that is also the line that we are taking in the upcoming discussions with the European Commission on the so-called mobility package, which will be put forward by the Commission shortly.

HE Dan Mulhall: We are very fully supportive of the principles of the free movement of goods, services, capital and persons. We believe that any interference with those grand principles of the European Union will be detrimental to the Union. If you interfere with one of those principles, it is clear that the others would also be vulnerable, and we have benefited, as I say, from the operation of the single market where the four principles have been at the heart of the single market, but we understand the concerns expressed by those who worry about the abuse of welfare systems. There is nothing in the treaties that entitles anyone to abuse and take advantage of welfare systems. In our country, in the 1990s, about 2% of our workforce came from outside the state. Today it is about 15%. We have had to accommodate ourselves to a totally new reality of people from different cultures and backgrounds coming into Ireland. We have had to respond in various ways to this new reality, and I have to say that in general we have responded very well. In fact, the Polish ambassador was ambassador to Ireland during the height of the Polish migration to Ireland, and it was a very substantial migration. If you look at it in proportional terms, it would be more than two million people in the UK. In general, this has gone very well, but we are completely open to moves to tighten rules in order to ensure that nobody takes advantage of the single-market principles of free movement in order to exploit welfare systems. I do not think anybody in any member state should have any difficulty with that sort of idea. The key thing is to find ways of doing this that are not discriminatory.

HE Witold Sobków: Free movement of persons, as I have said, is one of the basic four freedoms of the European Union, so we attach much importance to this. But for us it is also a foundation of the single market, to which Britain and Poland attach so much importance, and we want the single market to flourish. When it comes to labour mobility, we realise that this is also an important factor for economic growth and development in any country. In fact, the

annual cross-border mobility in Europe is relatively low. But this freedom of movement is also one of the key drivers for the European economy, and we know how much immigrants here contribute to the prosperity of this country, paying taxes here, living here and creating new jobs. We are open to any discussions and negotiations as long as the British proposals do not undermine the single market and the fundamental freedoms. They should not be discriminatory. We would only be against any selective approaches to fundamental market freedoms because we think that they can lead to discrimination and they can somehow destroy the whole structure of the fundamental freedoms. We are open to listen to very detailed British proposals.

The Chairman: We have, as it were, a total of five topics. I am going to put three together and suggest that those who question might put all three together but direct them to one ambassador each. That will give us five minutes to do the last two topics very quickly, if that is all right. I will ask Baroness Armstrong to come in, then Lord Davies and then Lord Trees just with this group of questions, and perhaps you can explain who you would like to ask.

Q38 Baroness Armstrong of Hill Top: We are going to be asking the questions on the distinctive features of your own country's response to the UK's negotiations—you have already said a lot about that—and thinking about what the impact would be if the UK was to leave the EU; Lord help us, but there we go. I particularly want to ask this of the Polish ambassador as in a sense the representative of the countries that were the latest to accede. Historically, the British Government were very encouraging of enlargement and accession. Has the perception of people in your country changed to the UK, and what effect do you think the negotiations are having on the perception of the UK?

The Chairman: We will have Lord Davies to ask the Irish ambassador his question now.

Q39 Lord Davies of Stamford: My question for the Irish ambassador follows on from what he just said about freedom of movement. Ambassador, we have had freedom of movement between our two countries since 1922, since the foundation of the state, and it has always been quite clear that any Irish citizen working alongside a British citizen earning the same amount of money in this country was entitled to exactly the same benefits and paid the same tax and national insurance contributions. Would you accept that that regime should change and that there should be some discrimination under which that Irish worker would not receive the same entitlement to benefits from his taxes and his national insurance contributions as part of a renegotiation that we might conduct with the European Union, or would you demand a special derogation from such an arrangement in favour of Irish citizens alone? Can I ask the

other two ambassadors whether they would accept a situation in which there was discrimination—

The Chairman: I think we have heard—

Lord Davies of Stamford: —against their citizens but the Irish had a special derogation in their favour?

The Chairman: Okay. I am going to ask Lord Trees to ask the Danish ambassador his question.

Q40 Lord Trees: Ambassador Grube, Denmark's DNA is integrated into ours, following your invasion and settlement of much of Britain well over 1,000 years ago, so we have always had a lot in common, but you have stressed how there is a Danish priority in remaining close to the core of the EU. How do you see that sitting with the UK's negotiating position, and particularly could you consider the issue of what Denmark's particular response would be, were the UK to leave the EU?

The Chairman: Food for thought. We will start with Poland on Baroness Armstrong's question.

HE Witold Sobków: Thank you. We have always appreciated the UK's historic commitment to enlargement, and Poland is the living proof of your support. It was not just the support in the European Union but bilateral support of the UK, the Westminster Foundation for Democracy, the Know How Fund, and twinning arrangements that we had with British experts in different Polish ministries. We have always been grateful to Britain for this kind of support. It was not only about the enlargement, including Poland, but also about working together in the neighbourhood, as we did and are still doing in the case of Ukraine, for example. Britain is our staunchest ally and partner on this in the European Union, under the circumstances. Also, with regard to the western Balkans, for example, Britain has been playing a very important role.

I would say that no EU member state is interested in the Brexit scenario, and Poland is no different from other EU states. We have always appreciated not just your attitude towards enlargement but the UK's contribution to the EU as a pillar of global stability. It is not just about trade and the single market, but you have made the EU more competitive and more secure. The common foreign and security policy is inter-governmental and Britain plays a key role in those policies. So we share interests in many areas. I am very unhappy that especially the media here concentrate on immigration, because we share so many things in different areas and our co-operation is second to none in all those areas.

The Chairman: Irish Ambassador, I should just record for the record that we have circulated Minister Flanagan's speech with its general context. It is very interesting and positive.

HE Dan Mulhall: Very good; it is a very fine summary of our position, yes. In a sense, it is a summary of our position. I am not sure whether Lord Davies's question relates to an arrangement that might be made as part of the current negotiations or a scenario where Britain had already left the European Union or both.

Lord Davies of Stamford: No, I am thinking of a renegotiation under which the British Government demand special arrangements for depriving other citizens of other EU states from the full range at least of benefits that they would currently be entitled to under the freedom of movement regime that we currently have, and whether you would accept a downgrading of the position of Irish workers in those circumstances or demand a derogation from those arrangements.

HE Dan Mulhall: We have a unique relationship with the UK and it goes across the board. Economically, we have €50 billion of trade in goods and services in both directions every year—that is £1 billion a week, a two-way trade—and 200,000 UK jobs dependent on trade with Ireland. Ireland is the fifth biggest export market for the UK and will continue to be one of the most important markets for the UK for the foreseeable future.

Lord Davies of Stamford: So what is the answer to my question?

HE Dan Mulhall: But there are other strands to the relationship. There is the political strand where the two Governments now work closely together in relation to Northern Ireland and on European issues, and then there is the people-to-people link. That, as you say, is an age-old link, because Irish people have been coming to settle in Britain and British people have been going to Ireland for centuries. In particular, in the period after the Second World War the Irish came in very large numbers and contributed hugely to the recovery of the British economy and the rebuilding of Britain.

Lord Davies of Stamford: I agree with all that, Ambassador. So what is the answer to my question?

The Chairman: I do not think we can debate that further.

HE Dan Mulhall: All I want to say is that, whatever happens, we would want that unique relationship with the UK to continue and we would want the common travel area provisions, which predate our membership of the European Union by decades, to be respected. In my experience, our partners in Europe, all of whom have their own particular relationships and special situations, tend to respect the specificity of our situation. So I would expect that whatever happens we will seek to continue to have the same relationship with Britain

economically, politically and for the Irish people living in Britain and working here or coming here to work, because they benefit both of our economies. The movement back and forth between our two countries is a huge benefit for both of our economies, and we would not want to have anything done that would turn the clock back. I do not think the European Union is in the business of turning the clock back. We will be looking to preserve those benefits for Irish people, which they have enjoyed for generations, into the future.

The Chairman: Ambassador Grube, I am looking at the time and I would like to get you in, not least because, following Lord Trees's comment, it occurs to me that your people populated the cities both of Dublin and Swansea, where my wife comes from. Perhaps we may convert this into the last word from the ambassadors, because not only do we have the time commitment of people who have been very generous with their time, but the Minister is on his feet, so we would like to get you in if we can for a last word from Denmark.

HE Claus Grube: Thank you very much. I would just say, strategic points aside, that Denmark is a free-trading country. We are always on the side of those who fight for free competition, for free trade and for the respect for international law and order and human rights. We would regret enormously seeing the UK leave the EU if that is the decision of the British electorate eventually. It would mean we would miss our biggest ally in these areas.

On a personal note, let me add to what Lord Trees said. I personally think it would be a catastrophe to see the only country with which we share the same sense of humour leave the European Union, with your great taste for sarcasm and irony. It is the only place in the world where I as a Danish diplomat can use my own sense of humour without problems. Thank you very much.

The Chairman: On which note, for the record—and it is also partly an apology to my colleagues, because this has been such an absorbing discussion—I record that there was an interest also from colleagues in talking about the extent to which HMG had shared their confidences on the reform objectives. I think that has come out implicitly. I am very conscious that Baroness Scott, who has shared much of the burden on the green card with this Committee, would like to talk about the legitimacy of national parliaments vis-à-vis both the European Parliament and the European reform process. Again, you have touched on that. Of course, Ambassadors, at any stage if you have thoughts you want to share with us on those or other matters, we would be delighted to hear from you.

It would be very remiss if, on behalf of the Committee, I did not thank you very much. You bring to this Committee a wealth of experience, a huge and impressive intellectual fire power and articulacy in developing the points, and, I might say, because it echoes the points you

have all made in conclusion, a degree of sensitivity towards the British position, which is very welcome in what are bound to be trying times for everyone. I would just like, in concluding, to say how very much the Committee is indebted to you. We look forward to a continuing dialogue and we are very grateful for your contributions today. Thank you very much. The public deliberative session ends and, as I said, we will send you a transcript. I would like the Committee to stay behind, with the gallery clearing, so that we can conduct some deliberative business after this.