

Legislative Monthly Newsletter

July 2020

Irish Political Developments



July Stimulus Package

The July Stimulus package, announced on 23 July, and worth €7.4 billion, was designed to stimulate a jobs-led recovery and build economic confidence as the economy begins to re-open. These latest measures bring the overall increase in expenditure for 2020 to an estimated €16.2 billion relative to the spending estimates set out in December 2019. With over 50 measures announced, some of the key initiatives include:

- **Employment Wage Subsidy Scheme**- The scheme will be in place until the end of March 2021. It is estimated that it will have gross cost of an additional €1.9 billion
- **Pandemic Unemployment Payment**- The Pandemic Unemployment Payment will be extended with tapered payments until 1st April 2021. The scheme will be closed to new claimants from 17th September. This extension is estimated to have gross cost of an additional €700 million.
- **Commercial Rates**- The commercial rates waiver is being extended to the end of September. Estimated cost of €600 million.
- **Restart Grant**- The Restart Grant announced in May is being expanded and extended at an estimated cost of €550 million.

The full list of measures can be reached [here](#).

Special Oireachtas Committee on COVID-19 Response

- Special Committee is ongoing.
- Areas of discussion feature Impact on International Travel, Public Transport and Tourism Arts and Entertainment sector
- All of the Special Committee's debates can be accessed [here](#).

Legislation under consideration

- [Ministers and Secretaries and Ministerial, Parliamentary, Judicial and Court Offices \(Amendment\) Bill 2020](#)- Establishment of New Department and allowances for Ministers of State.
- [Ban on Rent Increases Bill 2020](#)- To amend the Residential Tenancies Act 2004 to provide for a prohibition on rent increases for all existing and new tenancies for three years.
- [Credit Guarantee \(Amendment\) Bill 2020](#)- To make provisions in relation to the giving of guarantees under the Credit Guarantee Act 2012 in accordance with a credit guarantee scheme in response to the economic difficulties caused by Covid-19.
- [Social Welfare \(Covid-19\) \(Amendment\) Bill 2020](#)- To provide for a new benefit to mitigate the adverse economic effects of the spread of Covid-19; to provide for the attribution of paid social insurance contributions in respect of payments arising directly from the economic impacts of the disease.
- [Companies \(Miscellaneous Provisions\) \(Covid-19\) Bill 2020](#)- In response to the economic difficulties caused by the disease, to make exceptional provision in relation to the operation of certain provisions of the Companies Act 2014 and the Industrial and Provident Societies Act 1893.

Other News

- Minister Ryan signs Regulations to Extend Smoky Coal Ban 27 July 2020- Gives legal effect to the extension of the smoky coal ban to all towns with populations over 10,000 people. Further details [here](#).
- Government has agreed on a list of locations where anyone arriving to Ireland will not have to restrict their movement. The full list can be accessed [here](#).
- Green Party Leadership Contest Thursday 23 July- Eamon Ryan re-elected by a narrow margin. Further details about the vote can be found [here](#).

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European Political Developments



European Summit

EU leaders reached a landmark agreement of a €1.82 trillion budget and COVID-19 recovery package on 21 July. The seven-year budget and recovery package which includes joint borrowing of €750 billion for a recovery fund to be shared as grants and loans across Member States.

Ireland is forecast to contribute €2.7bn (an increase of €300m from 2019) towards the EU budget this year, according to figures from the Department of Finance.

Highlights of the package includes:

- €390 billion worth of grants and €360 billion worth of loans.
- Increase in Horizon Research Funding
- €5 billion Brexit Package which Ireland is set to benefit from

Further Information about the summit and agreed EU Budget can be found [here](#).

European Commission

- European Commission appoints its first **Chief Trade Enforcement Officer**. The appointment of the CTEO is an important step in strengthening the EU's implementation and enforcement agenda. The CTEO will also help EU exporters gain more value from partner markets and will also strengthen the enforcement of sustainable development commitments, notably in relation to the climate agenda and labour rights.- [Further details](#)
- Commission approves support for production of electricity from renewable sources in Ireland. The measures will contribute to the EU environmental objectives without distorting competition. More information on the scheme can be accessed [here](#).

Brexit

- The first set of **renewed negotiations** took place in London between 20 and 23 July 2020. The EU's top Brexit negotiator commented after that a new trade agreement with the UK was looking unlikely due to the country's unwillingness to budge on two key issues: Fair Competition and a balanced agreement on fisheries. The full statement from Michel Barnier following Round 6 can be accessed [here](#).
- The **Specialized committee on Ireland and Northern Ireland Protocol** took place on 16 July 2020. (The main mission of this committee is the proper and timely implementation of the Withdrawal Agreement.) The full statement following the meeting can be found [here](#).
- The European Commission published a document (9 July) to help national authorities, businesses and citizens prepare for the inevitable changes that will arise at the end of the transition period. The full document can be accessed [here](#).

Other News

- Paschal Donohue elected Eurogroup President and will serve a two-and-a-half-year term. The Eurogroup is an informal body where ministers of euro area member states discuss matters of common concern in relation to sharing the euro as the single currency. More details [here](#).
- Apple tax ruling- A European Union court has ruled in favour of Apple in an appeal of an order to pay Ireland €13 billion euros in back taxes. According to the General Court of European Union, the commission was wrong to declare that Apple Sales International and Apple Operations Europe had been granted a selective economic advantage and, by extension, State aid. It is expected that the ruling will be appealed. Further details [here](#).