Interview: Charles Flanagan TD – Minister for Foreign Affairs and Trade, Ireland



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In an exclusive interview, Irish Minister for Foreign Affairs and Trade, Charles Flanagan TD, outlines the Department's enhanced focus on trade and economic recovery, Ireland's commitment to productive global engagement, and the strategic importance of the life sciences industry to Ireland's economy.

In 2015, the Irish Government launched a review of Ireland's external engagement: 'The Global Island: Ireland's Foreign Policy for a Changing World', the first major statement in nearly two decades, highlighting the Department's 'enhanced focus on trade and economic recovery'. Can you describe, broadly, the role that Ireland hopes to play on the world stage, as a small country?

'The Global Island' was, and remains, a key guiding document for our foreign policy, setting out how Ireland engages globally for the benefit of our citizens. The last decade has shown us how our interests and prosperity are more tied to international developments than ever before. Our global network of Embassies, Consulates and State Agency offices is at the center of our outreach, working on behalf of all Government Departments to build strong political, diplomatic and trade relationships. These bilateral ties deliver real outcomes, whether to the benefit of Irish business, advancing our values or promoting our visibility. On the trade side, we are working to identify new markets and opportunities, both in terms of market diversification and enhancing our market share in traditional markets.

Ireland is committed to the European Union (EU). Our influence on the world stage is amplified and strengthened by our EU membership. There is no doubt that the United Kingdom's decision to leave the Union presents us and our partners in Europe with real challenges. Much of my Department's focus in the coming period will be on securing Ireland's interests in the negotiations on Brexit as well as ensuring that we help shape the future direction and policies of the EU. We also have a unique partnership with the United Kingdom; securing stability and progress in Northern Ireland, along with maintaining a strong bilateral relationship with the UK will be central to our work in the period ahead.

The values of our people inform our foreign policy. Ireland has long advocated for a fairer and more just world based on the rule of law, human rights, peace and security and the development agenda. We believe that the world order must be underpinned by strong and value-based global institutions. We strongly promote human rights internationally and act as a strong advocate for disarmament and non-proliferation. Our membership of the United Nations has allowed us to promote these values and our contribution to the UN is distinctive and highly respected. We are currently campaigning for membership of the UN Security Council for 2021-2022, which will give us the platform to enhance our contribution to global peace and security.

To ensure that Ireland can deliver for our citizens in such a complex global environment, we need an agile and responsive foreign service. I am confident that our network of Missions, supported by my staff at Headquarters, can rise to the challenges ahead and maintain and grow Ireland's presence on the global stage.

The Statement of Strategy 2015-2017 sets out the high-level goals for the Department. Coming to the end of 2016, can you give us an overview of the progress made thus far?

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Our Statement of Strategy 2015-2017 has guided our work for the last two years, helping us deliver on behalf of Government and citizens. Significant progress has been made. An example of this is the successful launch of the Passport Card in 2015, greatly facilitating travel, particularly business travel, in Europe. The Export Trade Council, which I chair, has also provided strong impetus in support of Irish business, and our Local Market Teams at our Missions abroad (bringing together Embassy personnel with the State Agencies on the ground) are delivering a coherent approach to trade and investment. Overseas Trade Missions and our St. Patrick's Day programmes have also focused in growing our economy and exploiting new opportunities.

On the global stage, Ireland played a pivotal role, as Co-facilitator, in two of the most important multilateral negotiations of the past decades – shaping and delivering agreement on Agenda 2030 (the Sustainable Development Goals) and on the UN Global Migration Compact. These are significant achievements and underscore our commitment to a fairer world based on a resilient and responsive international rules-based system.

Closer to home, we have focused on stability in Northern Ireland – helping deliver the Fresh Start Agreement. Through the North South Ministerial Council, we continue to develop North-South cooperation. Here as well the impact of Brexit underscores the importance of this work.

Looking ahead, we are finalizing our new Statement of Strategy for 2017-2019. The new Statement of Strategy will be built around the needs of our citizens at home and abroad, our role in relation to Northern Ireland, our commitment to the EU, the promotion of our values, and delivering greater prosperity through trade and investment. We expect to launch the Statement of Strategy at the end of this year.

Ireland has a very active investment promotion agenda, and we have met with IDA Ireland and Enterprise Ireland. How does the department work with them, and industry stakeholders, to continuously boost Ireland's attractiveness and competitiveness abroad?

My Department actively supports the daily work and strategic objectives of our State Agencies in key markets. This is closely coordinated through Local Market Teams in priority markets involving State Agency representatives and chaired by the relevant Ambassador.

Our Mission network works closely with Enterprise Ireland on its Healthcare & Life Sciences initiatives. This year alone, three EI trade missions focused on this sector have taken place globally. These visits play an important part in expanding the scope and reach of Irish trade. Our Mission network also works closely with the IDA in its liaison with potential investors and in helping to identify new opportunities for Ireland in certain sectors. These efforts are guided here at home by the work of the Trade Division within my Department and by the Export Trade Council.

The Export Trade Council brings together senior Ministers with an economic focus, the head of State Agencies and representatives of the private sector. The Council has met four times this year, most recently on 18 October when there was a particular focus on the Asia Pacific region. The Council is supported in its deliberations by the International Trade Coordination Group which is convened by my Department and chaired by the Trade Division. This is a whole-of-government group involving all the Departments and state agencies involved in trade including IDA, Enterprise

Ireland and Ibec. Ibec runs BioPharmaChem Ireland, the biopharma, pharma and chemical sector association representing Ireland's multinational and indigenous companies, ensuring that Ireland remains the global center of excellence for innovation and development. Within my Department, we have established a Trade Coordination Group bring together geographic units to discuss our trade activities across our global network.

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In January this year, I launched an Economic Diplomacy Strategy that seeks to build on the consolidation of the Department's trade role in recent years by establishing a network of locally hired Commercial Attachés to extend the range and impact of our Embassies' activities in support of trade. Our Embassies in Mexico City, Brasilia, Buenos Aires, Bucharest, and Jakarta will be the first missions to roll out this initiative. In addition, an Economic Development Officer (EDO) is in situ in Abuja and there is potential to make similar appointments in other locations. Within the context of our already very successful Local Market Teams, this initiative will equip Embassies with the resources and autonomy to become active and open business links and networks for Ireland's Healthcare and Life Sciences Industry, thereby strengthening the work of promoting the industry undertaken by the State agencies and their networks overseas.

The pharmaceutical healthcare and life sciences industry in Ireland is a key pillar of the Irish economy, contributing over EUR 50 billion to annual exports last year. Ireland is also establishing itself as a global biopharma hub, with the Minister of Health, Simon Harris, T.D. announcing last week Ireland's bid to host the European Medicines Agency (EMA) post-Brexit. What strategic importance does the government attach to this sector?

The Biopharmaceutical industry is of critical importance to Ireland. The sector today employs 26,000 people directly across 80 companies with a total of 124 sites covering manufacturing, services and R&D spread nationally. Exports of Medical & Pharmaceutical Products accounted for 27 percent, or EUR 30.17 billion, of Ireland's goods exports in 2015 – a significant component of Irish economic activity.

The challenge today for existing operations is to transform their production processes to compete in the increasingly high value, high-tech segments of the market. This applies to both small and large molecule companies with developments in continuous manufacturing, single-use systems, analytics, industry 4.0, changes in the potency of products requiring a smaller quantity of drug substance, as well as the small size of patient populations for orphan drugs. We can only achieve

this with a whole-of-government approach, working as closely as possible with the industry and the research ecosystem. We focus on ensuring that all of the critical pipelines are coordinated, from the provision of talent and infrastructure to the right programs to generate innovation and the best platforms to commercialize and bring the products to market.

The results are indisputable. The last three years have seen a strong resurgence in the Irish Life Sciences sector. Major projects have been announced from companies such as Alexion, Amneal and Regeneron, with over EUR 4 billion in capital committed, over 3,000 new high value direct jobs, and a large number of additional indirect jobs in construction and other services. Already in 2016, we have seen significant announcements of projects from Shire for the Mid-East region with 400 jobs and Opko for the South-East with over 200 jobs. I and my colleagues in government are particularly happy to see that we are achieving strong regional dispersal, with a range of locations featuring in the sector like Westport, Galway, Limerick, Cashel, Waterford and Athlone.

Global competition for pharma and life sciences investment is fierce. How does Ireland plan to leverage its strengths against competitors, EU and non-EU alike, like Switzerland and Singapore?

Ireland has a long tradition of pharmaceutical operational excellence and has been attracting manufacturing facilities from major Life Sciences companies for over fifty years. In the last ten years, there has been a significant ramp up in large molecule manufacturing throughout Ireland. Over EUR 10 billion in new investment has been committed in the last decade for new biotech manufacturing facilities in both drug substance (Alexion, Pfizer, Regeneron, Lilly, J&J, BMS and BioMarin) and drug product (Sanofi-Genzyme, Allergan, Jazz Pharmaceuticals, Amgen, and MSD). These companies have continued to invest and have been joined by an exciting new group of high growth companies.

A deep pool of talented employees, an exemplary regulatory compliance record, strong government support for R&D, and zero-defect biopharmaceutical manufacturing excellence have driven this recent wave of investment in new biotech facilities. The Irish Government is committed to continuing to invest in our education, research and broader ecosystem to ensure that Ireland remains the competitive location of choice for new biotechnology manufacturing operations.

We have established the National Institute for Bioprocessing Research and Training (NIBRT), a world-class center of excellence for training and research in bioprocessing. NIBRT is now working with world leading companies and training over 3,500 people annually as well as growing its investment in process research. Ireland has the youngest and fastest growing labor force in

Europe. Over 70,000, or 28 percent, of students chose science and engineering courses in 2015.

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Ireland has a strong track record of clinical and academic research excellence. Ireland ranks first globally in nano-sciences citations and second in immunology. There is excellent support capability in Ireland serving the biopharmaceutical cluster including Jacobs, PM Group, Abec, Endress+Hauser, GEA, Emerson, ICON, DPS and M+W Group. Ireland also has an exemplary compliance record with regulatory agencies, including the FDA, the EMA, and the HPRA.

The global competition in Life Sciences is fierce but we are extremely well-positioned to cope and compete. It is that level of competition that drives advances in Life Sciences and reshape how we live. Ireland is at the forefront of this revolution in health care and wellbeing. We are determined that the sector will be a key feature of our economy and Ireland’s global brand.

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