



The Centre for
Cross Border Studies

MEDIA WATCH

3 November 2017 – 10 November 2017

6 November 2017

Delegation to promote north west in Boston and Philly

A cross-border business delegation is taking off on a trade and investment mission to America later this month.

The visit, taking in Boston and Philadelphia, has been organised by Derry and Strabane Council and Donegal County Council to showcase the north west as a prime location to do business.

The delegation will include 15 businesses from the region, officers from both councils as well as representatives from Donegal Local Enterprise Office, the Ulster University, Letterkenny Institute of Technology, the Nerve Centre in Londonderry and North West Regional College.

They will meet with the mayors of Philadelphia and Boston and their respective economic development teams.

Several networking events have also been planned including an Ireland North West Showcase event, an Invest NI breakfast and attendance at the Golden Bridges conference at the Seaport Hotel and World Trade Centre in Boston.

John Kelpie, chief executive of Derry City and Strabane District, Council added: "The travelling companies will showcase our strong and diverse SME sector who have a global outlook spanning the creative, life science, agri-food and advance manufacturing and engineering industries.

"We will be selling the north west as a vibrant, diverse and resilient region and a compelling and attractive location for investment. We offer a cost-competitive location to do business, a highly-skilled, English-speaking workforce, high-speed broadband and an ambitious investment programme in infrastructure.

"Our councils and businesses enjoy a strong, collaborative and strategic cross-border partnership in a region that is the gateway to one of the world's largest markets."

Meetings will also be held in Philadelphia, including a meeting with Mayor of Philadelphia Senator Jim Kenney.

Source: The Belfast Telegraph

6 November 2017

95pc of firms still have no plan to deal with Brexit

THE number of Irish businesses that have a plan to deal with the fallout from Brexit is falling - prompting fears of rising complacency as growth continues and last year's shock UK vote fades from memory.

The latest InterTradeIreland Business Monitor shows 95pc of businesses across the island of Ireland don't have a plan for Brexit.

Small and medium enterprises are thought to be the least prepared, and are putting off taking action because of the difficulty of predicting the shape of a final settlement.

Incredibly, more than nine out of 10 firms that actively trade cross-Border have yet to make a Brexit plan.

There are fears that continued strong growth in the Republic, in particular, is masking the dangers posed by the UK vote to leave the European Union.

"A buoyant economy should not distract from the need to confront and prepare for challenges that lie ahead, especially in terms of dealing with rising costs, skills shortages and potential changes to trading relationships. Our latest business monitor shows that over 70pc of businesses are operating on very tight margins (below 10pc) and therefore carry a high exposure to rising costs," Aidan Gough, strategy and policy director at InterTradeIreland, said.

The 'Sunday Independent' reported yesterday that the Government is seeking European Commission support for a scheme to provide as much as (EURO)10m each, in grants or equity, to businesses affected by Brexit.

To date, the biggest impact of Brexit has been increased currency volatility, mainly a significantly weakened the pound, eroding margins for Irish exporters into the UK. More than a fifth of companies, and four out of 10 exporters, say they have been impacted negatively so far. That could be set to increase on the back of a deepening political crisis in the UK parliament, where a sexual harassment scandal has already led to a mini cabinet reshuffle at a time when Brexit negotiations remain up in the air.

The currency has fallen for the past three weeks on concerns about Brexit, and as the Bank of England failed to signal the start of a tightening cycle after raising rates on Thursday.

While officials are due to resume Brexit discussions in Brussels on November 9, the British government may be distracted by the sexual harassment scandal at home. With British Prime

Minister Theresa May's judgment being questioned, and the government only having a slim majority in parliament, the issue is now on currency traders' radar as a tail risk, according to both Nomura International and Mizuho www.Bank.UK business leaders, meanwhile, are increasingly frustrated with the administration there.

Confederation of British Industry (CBI) president Paul Drechsler will appeal for a "single, clear strategy" in an address today to the CBI's annual conference in London.

He won't shy away from criticism of Mrs May, with a stringent rebuke for her "episodic approach" to negotiating Brexit, according to emailed excerpts of his planned remarks.

"I'm reminded of a primetime soap opera, with a different episode each week," Mr Drechsler will say, before listing the premier's Brexit interventions. "First Lancaster House, then Article 50, the European Council, two dinners with Juncker - and no doubt many exciting instalments to follow. Each one becomes the big story, until the next one rolls around."

Britain faces a steady drumbeat of warnings from business about the need for certainty as the clock ticks down to March 2019, when it is due to leave the EU - with or without a deal.

Bank of England Governor Mark Carney said on Thursday that Brexit is the biggest factor determining the UK economic outlook. (Additional reporting Bloomberg)

Source: The Irish Independent

6 November 2017

Cross-border traders waking up to Brexit but still no plans for it

More Irish businesses are waking up to the realities of Brexit, although nine out of 10 firms are still content simply to concentrate on their day job and are refusing to make plans for the EU split.

Figures in the latest quarterly business monitor from InterTradeIreland reveal a buoyant island economy, with cross-border traders surging ahead.

But the Brexit apathy is persisting, as 91 per cent of companies with cross-border sales still functioning in seeming denial.

Of them, 53 per cent say the uncertainty makes it difficult to plan while 35 per cent say they don't believe it will affect their business - and the remainder insist they're too busy dealing with the here and now to worry about Brexit.

The report, covering July, August and September, says companies trading cross-border are faring particularly well, with 31 per cent increasing sales over the period. Only 13 per cent went backwards.

But the growth is not translating into an upsurge in employment, with only five per cent of companies reporting that employment levels have increased during the quarter.

Overall, 96 per cent reported that their business is growing (39 per cent) or stable (57 per cent), which compares with 85 per cent this time last year.

Profitability isn't good however, with 71 per cent of businesses reporting that they have a less than 10 per cent profit margin.

Ten per cent are in the 10 to 20 per cent profit bracket, while four per cent claim to be in the 20-per-cent-plus profit bracket.

Skills was also flagged up as an issue in the latest monitor, with 22 per cent of exporters reporting a difficulty in recruiting the appropriate skills for their business, and for 67 per cent of that cohort, this difficulty was having an impact on productivity.

InterTradeIreland's strategy and policy director Aidan Gough said: "A buoyant economy should not distract from the need to confront and prepare for challenges that lie ahead, especially in terms of dealing with rising costs, skills shortages and potential changes to trading relationships.

"This latest monitor shows that over 70 per cent of businesses are operating on very tight margins and therefore carry a high exposure to rising costs."

InterTradeIreland is running a series of major conferences 'All facts: No Noise - practical help to navigate Brexit' (the next event is in Croke Park on December 5).

It also has a suite of products for SMEs including a £2,000 Brexit 'start planning voucher' which allows firms to work with an approved panel of experts to devise a tailored action plan.

Mr Gough said: "While we encourage businesses to concentrate on operational effectiveness, we also are advising them to use this time strategically to look at the possible impacts of Brexit.

"With a healthy ambition to grow reported by 51 per cent of firms across the island, we are encouraging SMEs to begin their preparations for Brexit, as this is the key to stability and success in the future."

Source: The Irish News