

A blurred, high-angle photograph of a modern office hallway. In the foreground, a man in a dark suit is walking away from the camera, carrying a briefcase. In the background, several other people in business attire are walking in the same direction, their figures blurred to convey a sense of movement and activity. The lighting is bright and even, highlighting the clean lines of the office environment.

# **JOINT STATEMENT BY NORTHERN IRELAND BUSINESS REPRESENTATIVE ORGANISATIONS.**

Jointly signed by:

**CBI NI, Business in the Community, Catalyst Inc,  
Federation of Small Businesses, Hospitality Ulster,  
Institute of Directors, Manufacturing NI,  
NI Food & Drink, NI Hotel Federation,  
Northern Ireland Retail Trade Association,  
Newry Chamber of Commerce and  
Londonderry Chamber of Commerce**

# Moving on from Brexit

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Business organisations in Northern Ireland support the First Minister and deputy First Minister in their representations to the Prime Minister over Brexit. We share the FM's and DFM's determination to keep the border open for trade and the movement of people. Northern Ireland's geographic situation and economic structure, as well as the political settlement as laid down in the Good Friday Agreement and St Andrews Agreement, mean that bespoke arrangements are essential.

Northern Ireland's businesses are uniquely affected by the perceived threat of a closed, or hard, border. Many of our businesses are reliant on cross-border flows of labour, trade and customers.

- UK/EU negotiations must recognise the importance for NI businesses to retain the benefits to trade of access to the single market, including the customs union, and for the Common Travel Area to remain.
- NI businesses must be allowed continued access to people and skills, customers and suppliers across the border.
- Future arrangements must support continued cross-border partnerships within the island of Ireland.
- NI businesses need a stable regulatory and standards environment because of their cross-border trading partnerships.
- Current EU funded social and environmental projects need to continue and be given greater long term reassurance regarding funding.

# Sector challenges and opportunities

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Three sectors in NI face specific, severe, challenges from Brexit: agri-food, tourism and higher education.

The agri-food sector is organised on a cross-border basis, with high levels of trade flows. It is dependent on membership of the EU's customs union and relies on access to the EU's free movement of labour.

Border controls could jeopardise the all-island tourism sector and may reduce the size of the Northern Ireland tourism industry. We need to exploit opportunities created by the weaker sterling valuation by increasing the flow of tourists from GB and RoI, but in the longer term we must avoid creating obstacles to attracting tourists to NI.

Students from other EU countries have been discouraged from studying at NI's universities because of uncertainty over future residency and work rules. Lecturers and researchers from EU countries are now more difficult to recruit, while collaborative EU research funding is in question. There is significant uncertainty about current EU funding to the FE/HE sectors.

Elements of Foreign Direct Investment will be more difficult to attract without membership of the single market, or clarity on the UK's future relationship with the EU. FDI relies on access to skills, which may now become more difficult to source.

# Skills and infrastructure

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To offset some of the challenges identified above the NI Executive needs to deliver faster and better through investment in skills and infrastructure, which directly affect productivity and were concerns before the Brexit vote.

## Skills

- NI has too few graduates and undergraduates aligned with the needs of the economy.
- NI lacks some key technical skills, particularly in IT.
- Too many school leavers are without basic skills.

NI has partly compensated for skills weaknesses by relying on free movement within the EU, but access to this labour market of 440 million people is likely to become more difficult if the UK government seeks to reduce migration.

## Infrastructure

Key parts of NI's infrastructure require investment, some of which was to be financed by the EU, or on a cross border basis. Infrastructure investment would provide a stimulus to the NI economy.

Priorities are:

- The A6 Belfast to L'Derry road
- The A5 L'Derry to Dublin road (cross-border financed)
- The York Street interchange (Interreg financed)
- The North-South electricity interconnector (cross border project)
- Increased and improved broadband and mobile phone coverage
- Additional supply of social housing (part funded by EIB)
- Cross-border water/sewerage projects (EU funded).

# Next steps

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Stable collective political leadership is essential to see NI through the challenges ahead. Business organisations are looking to this leadership for reassurance and confidence.

We urge the Executive to adopt policies and initiatives that provide more certainty, increase investment and create more jobs.

A long, brightly lit hallway with large windows on the right side. The scene is heavily blurred, showing a crowd of people walking away from the camera. The lighting is very bright, creating a high-contrast, almost ethereal atmosphere. The people are mostly silhouetted against the bright background.

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**24th August 2016**