

**Remarks by the Minister for Business, Enterprise and  
Innovation – Ms. Heather Humphreys, T.D.**

**Northern Ireland Chamber of Commerce and Industry**

**9 February 2018**

***\*Check against Delivery\****

Ladies and Gentlemen.

I'd like to get straight to the point this morning by hazarding a guess as to what two themes are currently dominating your thoughts.

I think they would have to be "Brexit" and "Business".

And, let me tell you – given that my Ministerial mandate is to help companies grow and create jobs, they are certainly occupying mine.

What's more is the reality that they have become inextricably intertwined.

You don't need me to tell you why.

After all, you know better than anyone the extent to which Brexit is shaping or impacting business decisions, now or in the future – whether it's in risk forecasting, currency hedging or supply chain management.

That's certainly the case in the South, where our firms are grappling with the many different challenges that Brexit is already presenting, week-in and week-out.

It's fair to say too that it's the companies, North and South, who are engaged in extensive cross-border trade, that are truly at the eye of a potential future storm.

I know that those firms - some of whom are represented here today - have more than most to worry about.

The fact is, no matter what way you look at it, the list of Brexit-related challenges for enterprise on this island is long and complex.

I have no doubt that many academic papers could be written on the subject – and I know very well that a few already have!

That's why I want to narrow my remarks this morning, and talk to you about three specific themes:

1. Why North-South commerce is so important to this island, and the significance of the EU negotiations;
2. What the Irish Government is doing itself to help firms prepare for Brexit; and
3. How we can work together, North and South, to ensure the best possible outcome for our businesses.

Let's start with cross-border trade.

The economic and commercial ties across our two jurisdictions are closer and more connected than ever before.

North-South commerce has always been a feature of life on our island.

But it really took off in 1993, when customs checks were abolished and we entered the single market together.

Or when, in other words, the then hard economic border became altogether more soft.

This brought everyone involved in the all-island economy – be they suppliers, wholesalers, customers, retailers or distributors – much closer together.

The end result is the healthy – and still growing – trade that exists today.

- The trade that sees 177,000 lorries and 250,000 vans cross the border every month, ferrying goods from one side to the other.
- The trade that is responsible for the £3.6 billion of Northern Ireland exports to the south annually.
- The trade that fuels growth and powers employment, North and South.

It's no wonder that the leader of the DUP, Arlene Foster, said recently that "in so many ways, success for one of us is success for the other".

I couldn't agree more – and I too want to see the island of Ireland prosper economically together.

Let me say as well that I understand this very well personally.

Coming from the border area, and having worked in financial services in border towns, I understand how important cross-border commerce really is.

It's not just about a line on a GDP graph, or a percentage point on an unemployment scale, as important as those metrics may be.

It's also about supporting families, sustaining communities and working together to promote the region as an attractive place to do business.

So you can understand why I – as both an elected representative of Cavan and Monaghan, and as Ireland's Minister for Business, Enterprise and Innovation – am so determined to do whatever I can to help mitigate the impact that Brexit may have on cross-border business.

And it's why I have warmly welcomed the commitment made by the British Government that - in the event that it is not possible to resolve the border issue as part of a wider EU-UK future relationship agreement - the UK is committed to maintaining full alignment with those rules of the Single Market and the Customs Union.

Because these rules are necessary to protect North South cooperation, the all-island economy and the Good Friday Agreement.

This means – in practical terms – that a hard border will be avoided, including the physical barriers and checks that go with it.

One cannot underestimate the importance of that - for businesses, for communities and for ordinary people who cross from North to South, and South to North, every day.

That arrangement will help to protect the Good Friday Agreement, the gains of the peace process, the benefits of North-South cooperation – as well as the economic development that has come with all of this.

That's why the Irish Government was so concerned that such assurances be provided – for the benefit of everyone on this shared island.

And we look forward now to seeing those commitments shortly translated into legal terms, as part of the ongoing EU negotiations.

Our hope, however, remains that there will be no need to rely on those commitments, and I want to be clear about that.

Our strong preference has long been that the entirety of the United Kingdom, while outside the EU, would effectively remain in the Single Market and the Customs Union, with all the associated rights and obligations.

Many others, in the UK and Northern Ireland, clearly want that outcome too, not least because it will soften the impact that Brexit will have on business.

This brings me neatly to my second point.

Because while we do continue to hope – and believe it possible – that the United Kingdom could effectively remain in the Single Market and Customs Union, we are preparing for every eventuality.

And so, the Irish Government has therefore been very active in helping our businesses – macro, micro and everything in between – address the potential challenges ahead.

What has this meant in practical terms?

Well, we are establishing a new Loan Scheme to provide up to €300 million in affordable financing to Irish firms impacted by Brexit.

We are setting aside €25 million for Brexit loans to the vulnerable agri-food sector.

We are engaging with our businesses, through our enterprise agencies, to make them more competitive, to diversify their market exposure, and to upskill their teams.

Each of these practical initiatives – and many others – is aimed at ensuring our firms have the capacity, flexibility and resources necessary to adapt to a potentially transformed commercial environment.

Of course, no commercial environment on this island stands to be more impacted by Brexit than North-South trade.

The good news is that extensive efforts are being made, on both sides of the border, to assist those firms, who rely on cross-border commerce for the challenges they may face.

InterTrade Ireland – the cross-border trade body established under the Good Friday Agreement – deserves real credit for that.

It is working, day-in, day-out, to help its SME clients, and to get them the advice and expertise they need.

While much has already been achieved, we know a lot of work remains to be done, and we will be supporting InterTrade Ireland as it continues to roll out supports for companies all over this island.

That leads us to my final theme: how we can work further together to get the best possible outcome for our businesses.

The first point to make here is an obvious but important one:

I ask that you make your voices heard.

Because the voice of business matters. It counts. It resonates.

Northern Ireland would be better placed to make strong arguments if a new Northern Ireland Executive were in place.

That's one of the reasons why our Government, as a co-guarantor of the Good Friday Agreement, is working hard with the British Government to support the parties in reaching an agreement on a new Executive.

Decisions that affect people in Northern Ireland – be they on budgets, health and education – should be made right here, through the devolved power-sharing institutions.

I know Secretary of State Karen Bradley, and our Tánaiste and Minister for Foreign Affairs and Trade, Simon Coveney, share that view entirely, and I certainly hope the ongoing process with the political parties here to support the formation of a new Executive will soon bear fruit.

But putting politics aside for a moment, we can also help each other by simply continuing to forge new business links and nurture existing ones.

Because North-South trade will, by definition, continue to be in all of our interests, come what may.

After all, cross-border commerce isn't just there to support the peace process, as important as that may be.

It's there to create jobs, power investment, raise living standards and sustain our communities, whether in Cootehill or Cookstown, Ballybay or Ballinmallard.

I certainly look forward, as our State's Minister for Business, to helping deepen and sustain those commercial ties.

Colleagues, Friends.

You know, as I do myself from my own career, that running a business isn't easy.

Far from it.

There all sorts of commercial challenges, factors and considerations that you must think about, and manage, on a daily basis.

I'm sure, to say the least, that Brexit is one variable you could have done without!

Our Government, and our businesses, certainly feel that way.

But I am determined to ensure that Irish firms as best equipped as possible for the challenges ahead.

And I am especially focused on doing whatever I can to support those companies that do business on a cross-border basis.

Cross-border business is not just a huge part of our respective economies, but has also been so important in helping us work more closely together.

I look forward now to having the opportunity to hear about your thoughts and concerns, and I'd be happy to answer any questions you might have.

Thank you.

ENDS