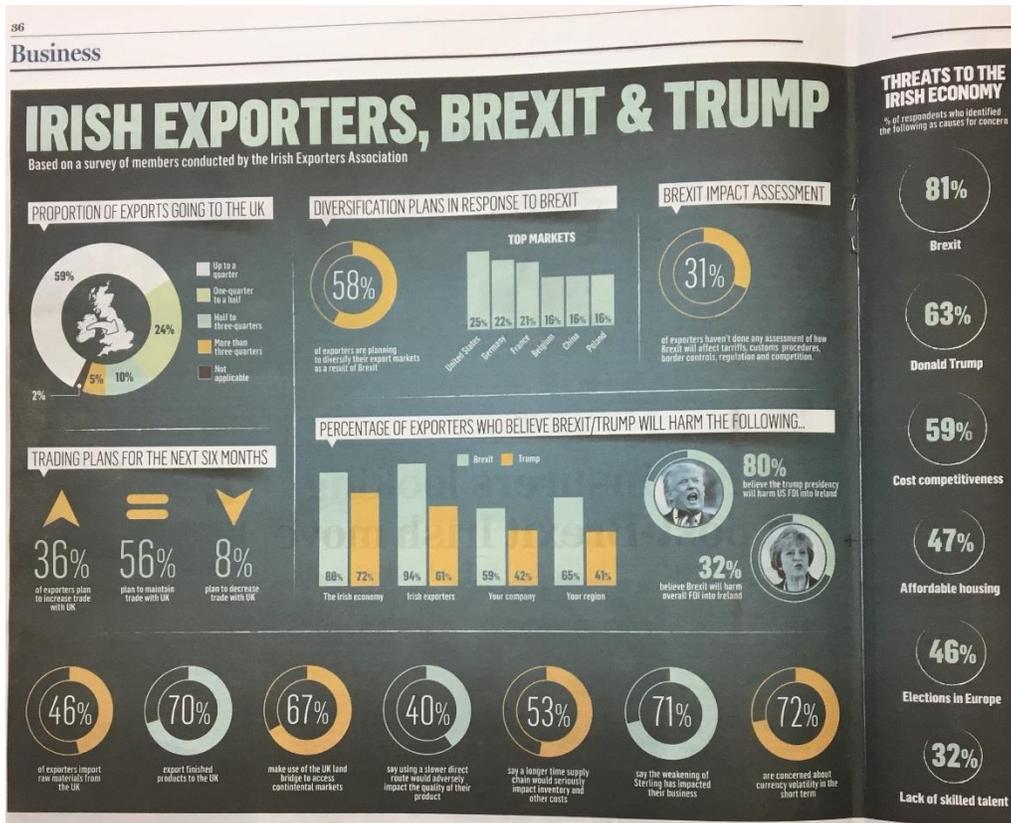


Majority of exporters travel through Britain to ship goods overseas

By Colm Kelpie

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188pc of those surveyed feel that Brexit will damage the Irish economy, almost all said it would hurt Irish exporters. Photo: Bloomberg

Two thirds of exporters go through Britain to get their produce to customers on mainland Europe and further afield, a survey suggests.

And 40pc said that using a longer, yet more direct, route would adversely affect the quality of the product.

But 30pc of exporters quizzed for the survey by the Irish Exporters Association (IEA) have taken no action to assess the fallout from the Brexit vote, even though 70pc said a weakening sterling had impacted their business.

Marie Armstrong, IEA vice-president, said the number of exporters relying on the UK as a land bridge to the continent was "hugely significant".

"And those members are very concerned about continuing to use the UK in terms of customs, and being stopped at borders," Ms Armstrong told TDs yesterday.

"They're very concerned that the slow direct route will impact on the quality of the product, and over half will think it will impact on their overall cost. They are looking actively at trying to open other routes."

She said businesses were looking at Irish ports and trying to weigh up which ones provided the easiest access to mainland Europe.

She said they were also in discussions with companies such as shipping giant Maersk to see what can be done. IEA president Nicola Byrne, also addressing the Oireachtas Foreign Affairs Committee, said 66pc of Irish exports are from large foreign-owned multinationals, while 21pc are from medium-sized

multinationals and 1pc from small foreign-owned companies. About 4pc of exports are from large Irish-owned multinationals, 6pc from medium sized companies and 2pc from Irish owned multinationals.

The IEA reiterated that, in its opinion, the Government is spending too much time focusing on Northern Ireland in the wake of the Brexit vote, and not enough on trade.

Ms Byrne said the Department of Foreign Affairs needs to "concern itself more with how they're going to protect the 66pc of exports that come from FDI across that landbridge".

"Are we doing enough prep work in talking about anything else but Northern Ireland and the answer is firmly no," she said. "We all travel to Brussels. We all work in the industry, we are not hearing any signs that the word trade is coming to the top of the agenda."

The survey, which was carried out by 150 of the IEA's members in the final week of January, also found that 58pc of companies are planning to diversify export markets, with the US, Germany and France among the top markets.

Unsurprisingly, 88pc of those surveyed feel that Brexit will damage the Irish economy, almost all said it would hurt Irish exporters, and 81pc said it would be harmful to the UK economy.

Just over 80pc said Brexit is a major threat facing the Irish economy this year, while 63pc cited Donald Trump's presidency, 59pc said Ireland's cost competitiveness, 47pc said the lack of affordable housing, 46pc noted elections in the Netherlands, France and Germany and 32pc talked about the lack of skilled talent in Ireland.

Ms Armstrong told the Committee that Ireland is not competitive enough, particularly for startups.

"I see companies all the time who start out and then get bought out by foreign companies and that happens at a very early state.

"People are trying to decide will I stay on, or will I sell up now, and a lot of the time it is driven by what is my after tax return."