

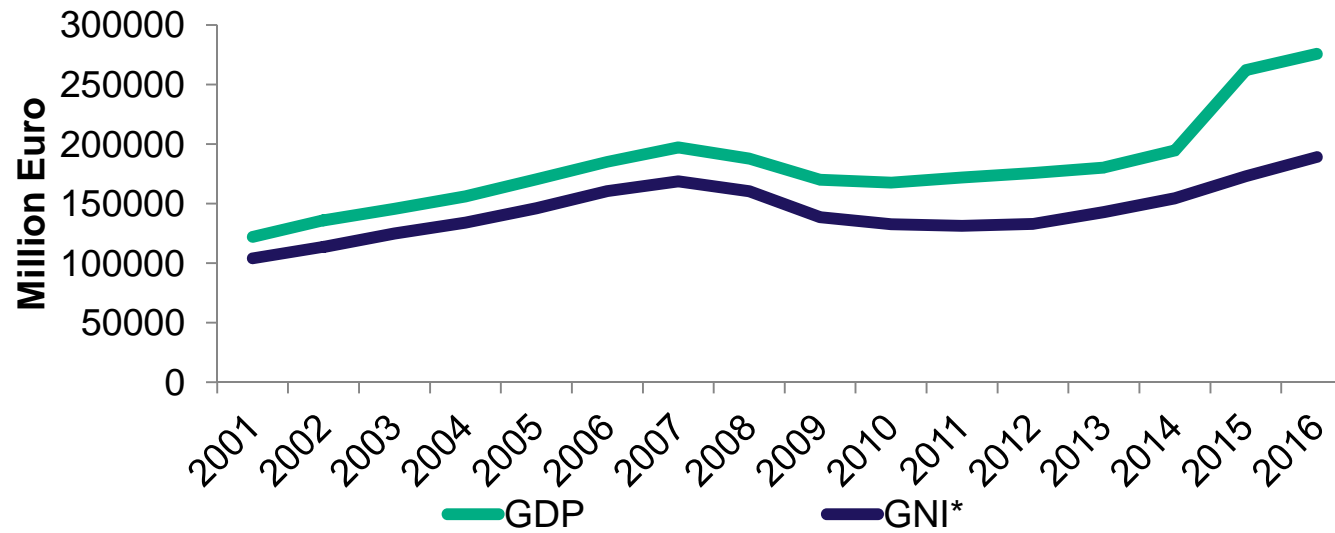
Brexit- Possible implications for wider business

Sven Spollen-Behrens
Director of SFA

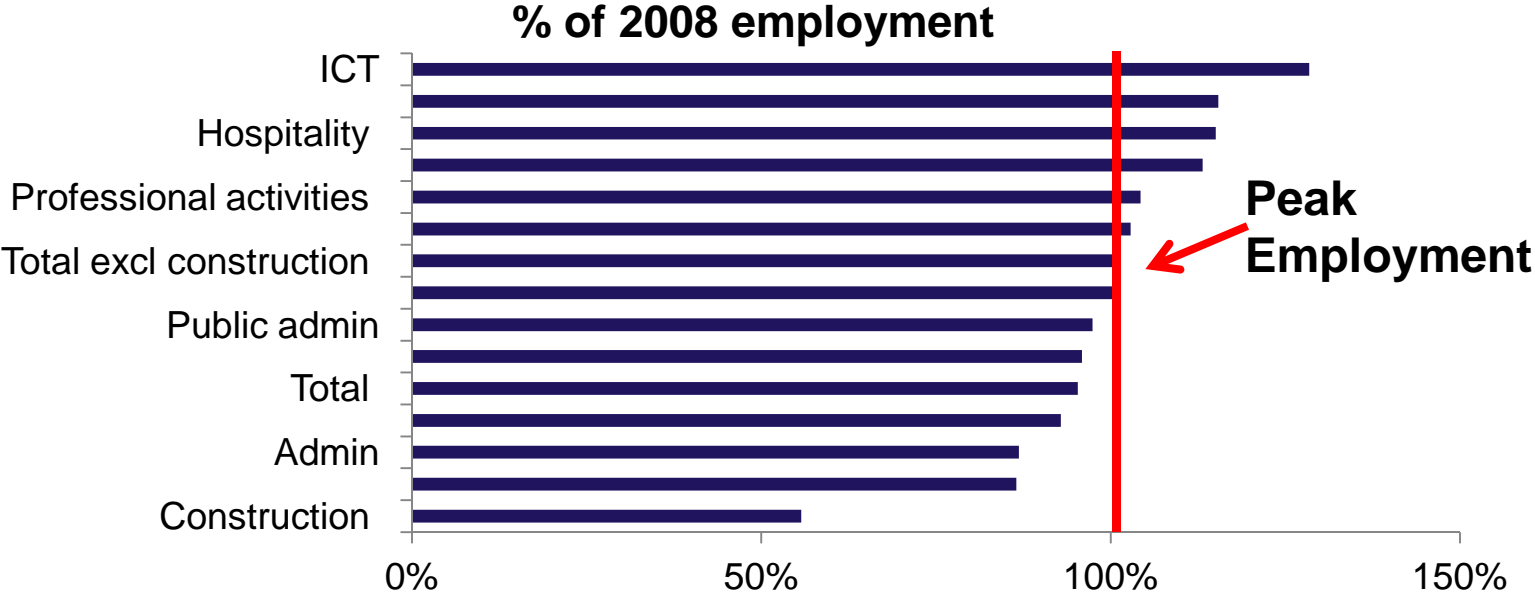


The Voice of Small Business

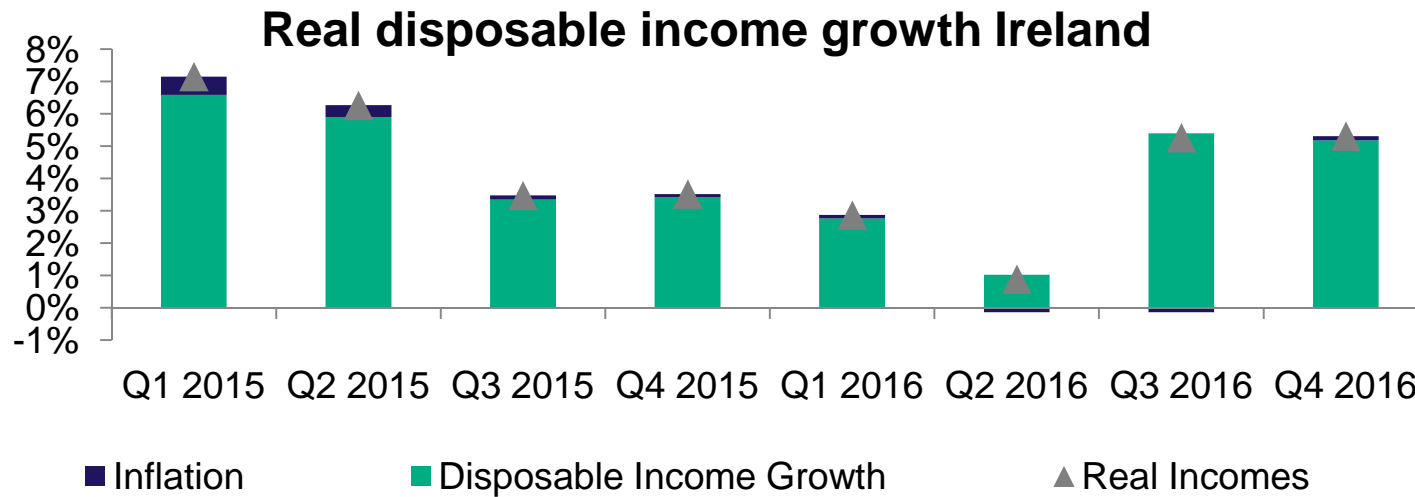
GDP growth is still the strongest in Europe



Labour market is tightening



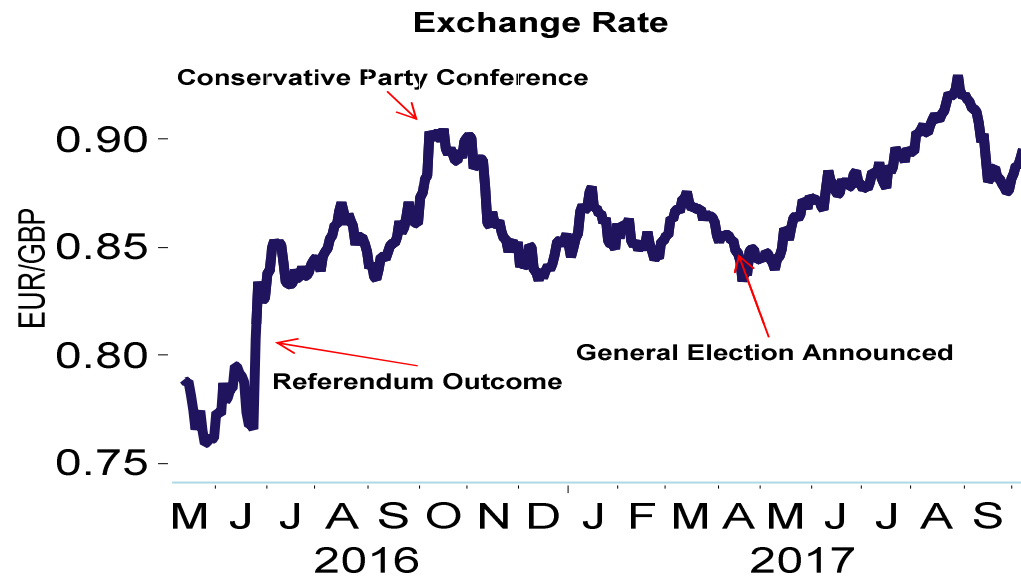
Real income growth in Ireland is close to 5% as real incomes fall in the UK



As it stands we are heading for a hard Brexit

- Irish business wants the UK to remain in the customs union, maintain tariff free trade and minimise non-tariff barriers with the EU. However.....
- The UK has indicated that, while it wants to maintain as frictionless trade as possible with the EU post-Brexit, it also wishes to agree its own trade deals with third-parties and decide its own rules and regulations for doing business.
- This would exclude the UK from the EU customs union as we know it and necessitate a new external EU customs border between the Republic and Northern Ireland, and on the East-West aviation and maritime trade routes between the Republic of Ireland and Britain.

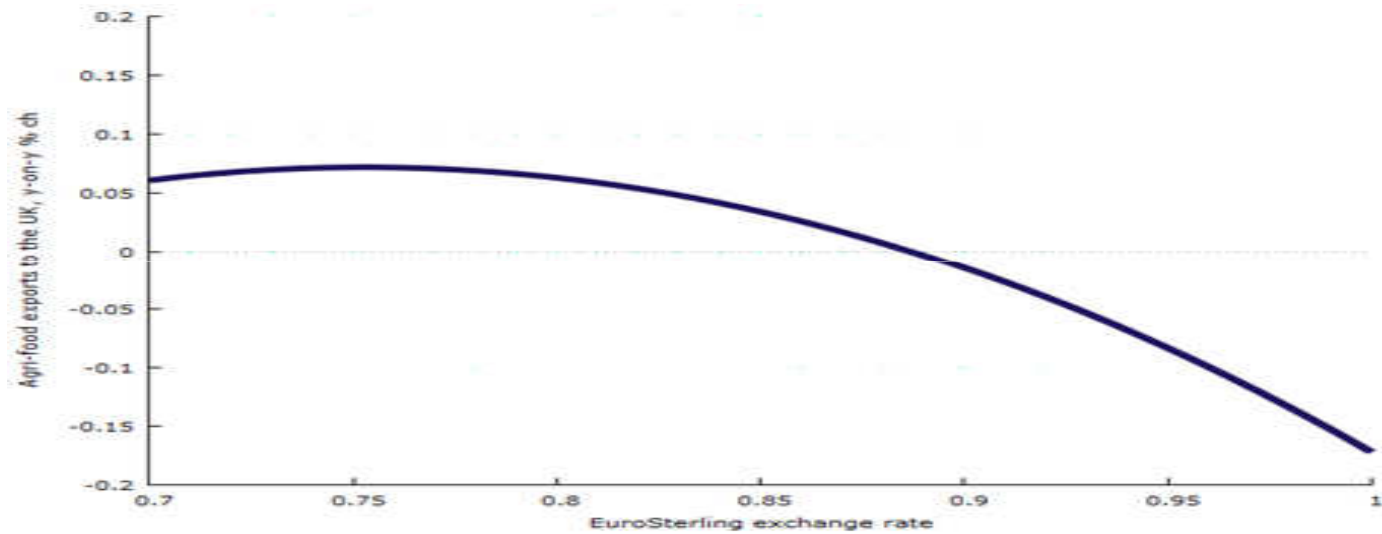
Sterling depreciated again after the general election



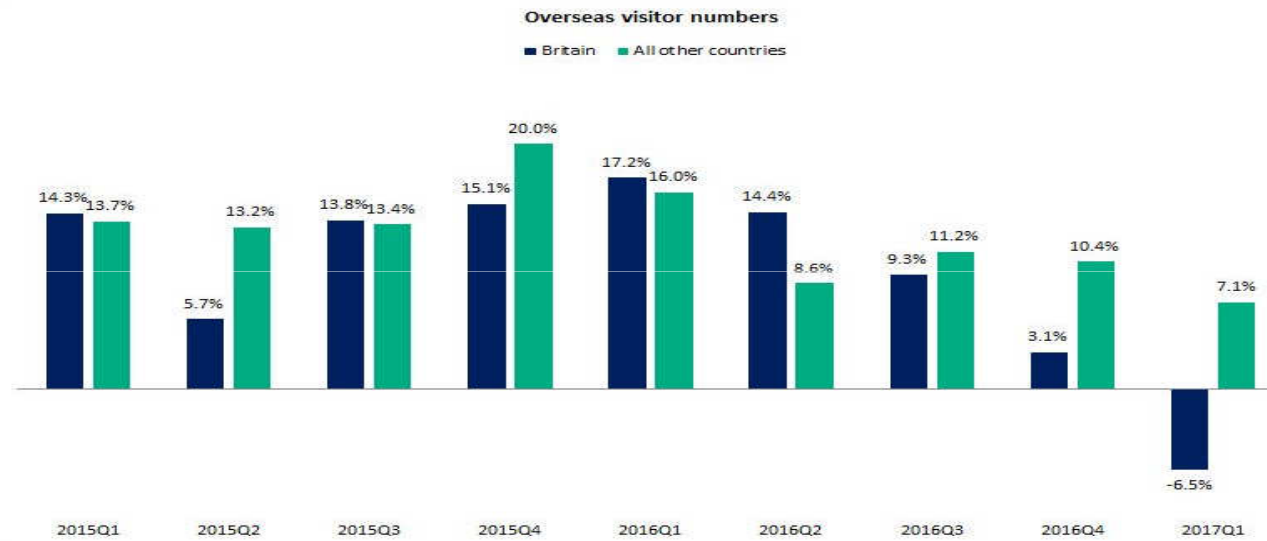


The Voice of Small Business

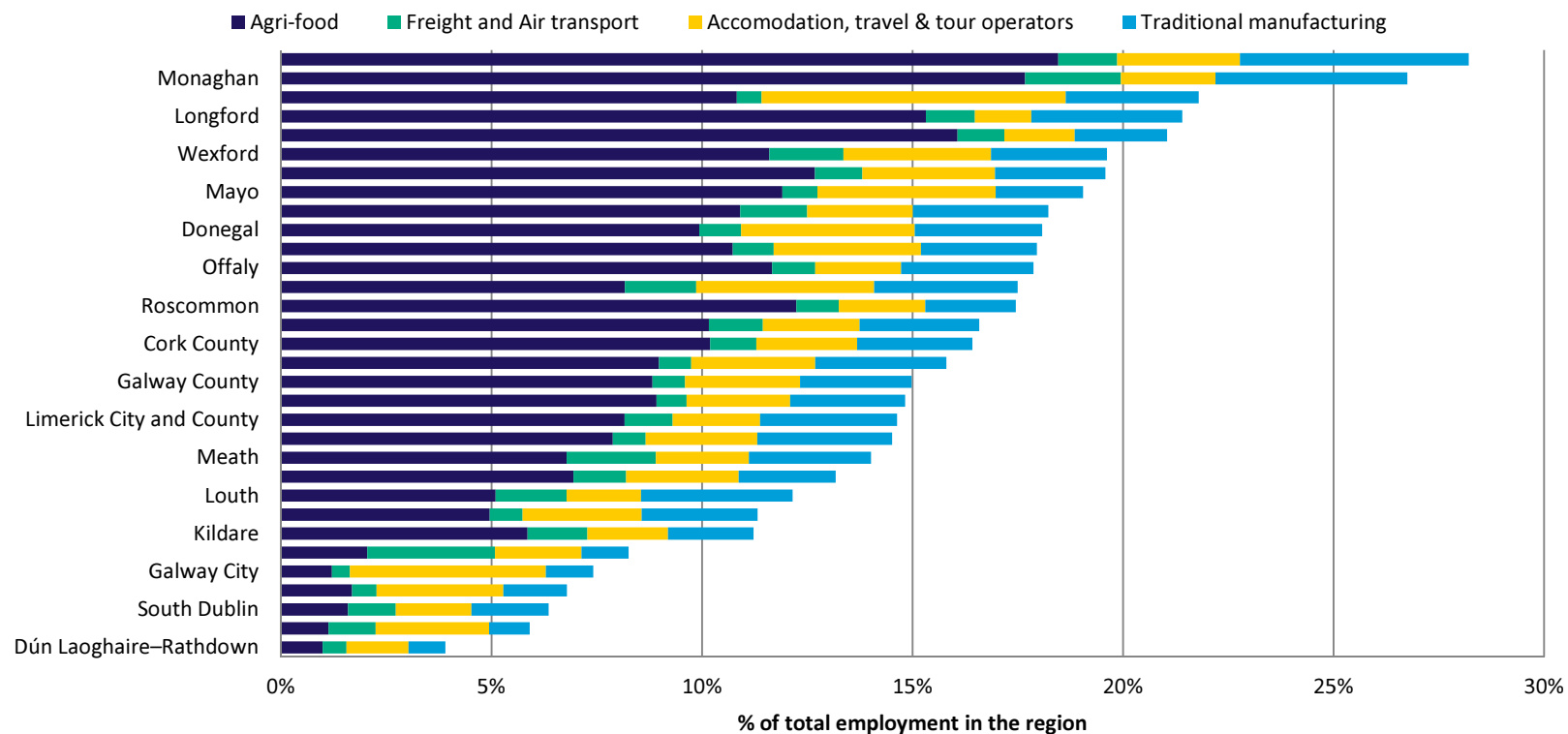
The impact so far



Tourism beginning to feel the squeeze



Employment in Brexit exposed sectors by county



Brexit at a business level



CURRENCY

Currency volatility and exchange rate uncertainty



SUPPLY CHAIN

Trade barriers and border controls



CONTRACTS

Legal uncertainties in the UK



FINANCE AND FUNDING

Harder to access finance and capital



WORKFORCE

Disrupting freedom of movement



TECHNOLOGY

Updates and adaptations required



REGULATION

Divergent standards and deregulation



TAX

Complexity of taxes relating to UK trade may increase



MARKET

Ease of market access and customer behaviours may change



OPERATING STRUCTURE

Current operating structures may no longer be viable