

## Companies 'unprepared for Brexit and rising cost of political turmoil'

Companies are a long way from being Brexit-ready, and uncertainty over the outcome is set to impose more costs on firms, business leaders from both sides of the border have warned at a conference in Dublin.

The rejection of Theresa May's withdrawal agreement has raised the likelihood of a disruptive no-deal Brexit, which could have serious consequences for business, delegates at the manufacturing industry meeting were told.

The imposition of World Trade Organization tariffs would also make Northern Irish goods more expensive in the Republic, and goods from the Republic more expensive in Northern Ireland.

Tariffs on agrifoods average 22% under WTO rules, according to Michael Bell, the chief executive of the Northern Ireland Food and Drink Association.

"WTO rules are designed to stop the movement of agrifood products" he said.

Although Brexit is the biggest shock on the horizon for businesses, it is not the only one.

A combination of uncertainty and the falling pound has seen migrant workers in the Northern Irish agriculture industry return home, and the planned Sainsbury's-Asda merger will put further pressure on farmers.

Irish Exporters Association CEO Simon McKeever said firms were in a precarious position.

"We now find ourselves with a 70-day window where I don't think we are prepared as a country. We are, to put it bluntly, screwed."

The additional burdens imposed by a hard Brexit would include extra forms that businesses would have to fill in to comply with customs rules, as well as the redrawing of shipping routes.

Food and agriculture exports from both sides of the border would be hit as many products cross and re-cross the border.

Multiple speakers at the event said both British and Irish businesses needed more time to prepare, with a no-deal Brexit likely.

"The real risk for business is the cliff-edge," said Fergal O'Brien, director of policy at business group IBEC.

Mr Bell also raised the question of what would happen when a container is at docks and customs are presented with the choice of delaying a shipment worth hundreds of thousands of thousands of pounds, or letting it through if there is a grey area in the rules.

"Who will be empowered?" Mr Bell asked.