

Brexit: 'I think there is still a grave danger of a crash out'

It has been said at yesterday's (Tuesday, November 13) Oireachtas committee meeting on the Impact of Brexit on Agriculture, Food and Fisheries, that Ireland's action for Brexit preparedness has been "all around a deal and not around a crash out".

CEO of the Irish Exporters' Association, Simon McKeever, who was speaking at the meeting said that despite the assurances, "there is still a grave danger off a crash out".

McKeever referred to a recent business conference he attended in the UK and said he noted at the conference that there is "a huge lack of leadership coming from businesses" within the UK.

McKeever also highlighted the issue that Import VAT will present to Irish businesses after Brexit.

"Once the UK becomes a third country, VAT of 23% will be imposed on goods coming in from the UK at the point of entry."

He believed that Ireland should be looking for a three-month deferral on this VAT saying "while it will effect the Government's cash flow, it will help Irish companies' cash flow".

The Irish Exporters' Association's CEO added that this could potentially "wipe out" smaller companies cash flows.

"Look at the mushroom farmers for an example, a 23% hit to their bottom line immediately; I think this will have a massive impact."

The Border

Referring to the precarious issue of the land border in Ireland, McKeever said: "Are 'these bollards' going to come up overnight – I don't think so – unless there is time to put infrastructure in place; I am assuming trade will continue to go on as normal until all the stops and checks can be put in place."

He outlined that political powers are saying the border is not going to be on the island of Ireland and it will not be between Ireland and the UK.

He concluded by outlining his uncertainty surrounding the matter saying it is not known where the border will be if the EU is to preserve the integrity of the single market.