

Businesses urged to step up Brexit no-deal contingency planning in wake of UK vote

Businesses here must now urgently implement no-deal contingency measures following tonight's defeat of the Brexit deal in the British House of Commons, according to the Irish Exporters Association.

The organisation said that with less than three months remaining, businesses trading with or transiting goods through the UK must now act to mitigate the substantial, potentially detrimental impacts of a disorderly Brexit.

"The Irish business community simply cannot afford to continue its 'wait-and-see' approach and trust on the UK political establishment to prevent a no-deal Brexit," said Simon McKeever, IEA Chief Executive in a statement. "It is crucial that businesses understand and prepare for the application of full customs and VAT, tariff, phytosanitary and other regulatory and non-tariff barriers to trade with the UK."

Chambers Ireland said the outcome of the vote was disappointing and only prolongs the difficult position which many Irish businesses have found themselves in for some time. "As we were reminded regularly by EU leaders following its publication, the Withdrawal Agreement is the only agreement available that ensures an orderly withdrawal," said chief executive, Ian Talbot. "What is clear is that there will be no compromises on it from the EU negotiating side and that agreement is needed to provide certainty."

The British Irish Chamber said it regrets the decision and added that MPs must now find a way forward that avoids a no-deal scenario. It said it believes the Withdrawal and Political Declaration on offer is the only option currently available to ensure an orderly exit by the UK from the EU.

"While there are some elements of the Withdrawal Agreement & Political Declaration that we are less comfortable with, ratification of the existing deal would have been a very important step forward," said John McGrane, British Irish Chamber Director General.

"The current deal has three clear advantages over a 'no deal' Brexit: it establishes the terms of the UK's withdrawal, it ensures an orderly withdrawal a transition period (with a possible extension), and it offers legal certainty."

The chamber said it now awaits the British government's Plan B, in the hope that it will offer a way forward, adding that €70bn in trade and 400,000 jobs now hang in the balance.

These sentiments were also echoed by businesses in Northern Ireland.

"This is a disappointing but not unexpected result," said Retail Northern Ireland Chief Executive, Glyn Roberts. "While the Prime Minister's draft Withdrawal Bill was in no way perfect, it was definitely preferable to crashing out of the EU with no deal"

"The Government now needs to work on a cross-party basis with Labour and other opposition parties to reach a broader agreement for a withdrawal deal and secure the transition period, protect jobs and a positive future relationship with the EU."

Meanwhile, sterling strengthened slightly on news of the defeat, after weakening earlier in the day.

A short time ago €1 was worth stg£0.888.