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President's Statement



*Marie Armstrong,
IEA President 2019*

We are living at a time of rapid transformational change driven more and more by the climate emergency the world is facing. Irish exporters have to contend not only with the greatest challenge the world has ever faced, but also with huge shifts in the global trading ecosystem, Brexit, rising economic nationalism and digital innovations. As an island-nation at Europe's periphery, we are globally renowned for overcoming difficult obstacles and turning challenges into opportunities. I am convinced that Irish exporters will turn challenges into opportunities and continue to lead the way across the global market.

Brexit, undoubtedly, is the most urgent and immediate challenge to Ireland and Irish exporters. Since the UK Referendum on 23 June 2016, Irish exporters have been preparing for our changing relationship with the United Kingdom in a post-Brexit world – whatever form it will eventually take. In this context, we of course welcome and fully support the EU-UK Withdrawal Agreement. The Agreement is the best and only way to prevent both the EU and the UK from suffering unnecessarily.

Undoubtedly, we need to be as prepared as possible ahead of the 31 October withdrawal date and I urge Irish exporters to prepare their businesses as much as possible for all Brexit eventualities. The IEA stands ready to offer you, our members, and the Government the fullest support and advice to manage and mitigate the effects of Brexit.

While our economic relationship with the UK may be changing in a post-Brexit world, the UK will remain one of Ireland's closest trading partners for both, goods and services. But the need to diversify into new markets will become more important. In many ways Brexit is acting as a catalyst for Irish exporters to diversify their export markets.

Despite a shift towards increased economic protectionism among some countries, open and free trade remain the best solution for facilitating and increasing international trade. Since our membership of the EU in 1973, Ireland has been among the key beneficiaries of the Union's Single Market, Customs Union and more than 70 Free Trade Agreements. In this context, we welcome the recent conclusions of the new Agreements with Japan, Vietnam and Singapore, as well as the resumption of talks with the US administration. Since the conclusion of the EU-Canada CETA Agreement in 2017, exports to Canada are booming and we look forward to Irish exporters maximising the opportunities from the newly reduced barriers that come with these Agreements.

To further assist businesses in maximising their export opportunities, in 2018 the IEA launched its Markets Network Initiative which connected exporting businesses and allowed them to learn from in-market experts such as the French or Canadian ambassadors to Ireland as well as Ireland's ambassadors to China, India or Australia.

Notwithstanding the challenges that accompany Brexit, the climate emergency is our generation's defining challenge – on a global level. As an island-nation Ireland is, and will be, particularly affected by the effects of a changing climate, land degradation and use of water and natural resources over the coming years. This requires Irish businesses, especially those in the food and drink sectors, but also in the logistics and transport industries to adapt and consider measures to manage and mitigate the expected effects. We welcome the many steps already taken by our members in reducing their environmental impact

through innovative and sustainable solutions to manufacturing and logistics. We urge every business operating on the Island of Ireland to fully embrace the need for rapid change.

The IEA will continue to work to maintain Ireland's economic growth and further expand Irish exporters' global footprint in a sustainable manner through our consistent engagement with Government on our 'Vision for a Global Ireland' as well as our four policy pillars:

- Improving Ireland's National Competitiveness
- Building a Transport infrastructure that fosters Irish exports to the world
- Improving Access to Talent and Skills
- Maximising Ireland's EU Membership

Dear IEA members, I am confident that Ireland and Irish exporters will continue to punch far above its weight in years to come. The IEA is your association and we stand ready to assist you throughout your export journey with practical training, knowledge, information and supports. We will continue to be your voice.

Chief Executive's Review of 2018



*Simon McKeever,
Chief Executive*

“Irish exporters are resilient in the face of global challenges in trade“- One statement that best describes the mindset and global environment for Irish exporters. 2018 proved to be a mixed year for Irish exporting businesses.

Despite the growing uncertainties about the United Kingdom's future relationship with Ireland and the European Union, increased trade tensions and economic protectionism around the world, Irish exporters remained fiercely optimistic and engaged in expanding their global market share. As a result, in 2018, Ireland recorded its sixth consecutive annual increase in goods exports to more than €140.7bn – a year-on-year increase of 14% and record high. Year on year, Irish exporters continue to punch above their weight and at the IEA we continue to work to support you, our members, in your endeavours.

In late 2017, the European Union and the UK Government agreed to a Joint Report which lay the foundations to the EU-UK Withdrawal Agreement and Political Declaration on the future Relationship which was reached on 15 November 2018. The Withdrawal Agreement sets out the conditions for the orderly withdrawal of the UK from the European Union and includes a transition period as well as defining measures to ensure the continuation of bilateral relations, including critical topics for exporters such as trade, transportation and the prevention of customs and tariffs. The IEA fully endorses the Withdrawal Agreement as it crucially provides economic certainty and safeguards for Irish exporters through the transition period, prevents the reintroduction of physical border infrastructure on the island of Ireland and ensures the crucial continuation of supply chains.

As part of our continued engagement with Government on Brexit, we surveyed our members on the perceived impact of Brexit on their business and their level of preparation to mitigate the effects of Brexit. According to the survey results, our members concerns revolved particularly around the potential reintroduction of customs and tariffs as well as the expected increase in administrative costs and paperwork. These were closely followed by the risks of a potential reintroduction of border controls.

Members are increasingly looking at diversifying their export markets and supply chains with the United States, Germany, France and the wider Eurozone considered the most important markets for Irish exporters. Official CSO data clearly reflects this sentiment with Irish goods exports to the United States increasing by 17.9% and Germany by 11.7%. Strong export growth to other EU countries such as Greece (52%), Italy (38%), Czechia (37%) or Bulgaria (25%) also highlight Irish exporters strong drive to diversify their export markets. Moreover, IEA members and Irish exporters at large continue to look eastwards towards high-potential markets such as Japan (44%), Taiwan (19%), China (8%) and Russia (4%) experiencing continued growth. In particular, Irish exporters have greatly benefitted from the provisional entry into force of the EU-Canada Comprehensive Economic and Trade Agreement (CETA) with year-on-year exports increasing by 23% in 2018.

Trading internationally can be difficult and requires extensive knowledge of, amongst other things, international rules and regulations, customs procedures as well as market entry strategies. Should the UK leave the European Union without a set Withdrawal Agreement, many of these hurdles will immediately apply to Irish goods traded with our closest neighbour. The IEA's broad range of expert training courses can help you get prepared for everything you need to know to trade globally, be it a post-Brexit UK, or any other export market outside the European Union.

IEA training courses which assist Irish businesses to prepare for Brexit, qualified for financial support under the InterTradeIreland “Brexit Planning¹” voucher scheme worth €2000/£2250 (incl. VAT). These courses currently include: Brexit for your Supply Chain; Incoterms® 2010; Customs Awareness; as well as the IEA’s Authorised Economic Operator (AEO) Workshops supporting importers and exporters in getting prepared for attaining AEO status.

The IEA’s Top-10 highlights in 2018 included:

1. Nearly 2,000 export industry professionals attended our 28-market diversification and supply chain focussed events across the country.
2. The top-5 countries for visa applications were China, Russia, India, Saudi Arabia and Nigeria. The top-5 destinations for further market diversification were the United States, Germany, France, Italy and Belgium.
3. We further increased our regional spread, with almost 30% of IEA members based in the Southwest and West of Ireland, through dedicated Southern and Western Regional Councils.
4. Over 1,100 industry professionals received specialised training in preparation for international trading and potential post-Brexit barriers to trade. 24 new GDP Champions received certification in 2018 and will oversee onsite GDP practices. Good Distribution Practice (GDP) ensures patient safety by compliance throughout all stages of the supply chain and safeguards the quality of medicinal products.
5. The IEA saw a strong spike in demand for Brexit-related training courses in 2018 as increased uncertainty forced businesses to develop preparedness and contingency measures. Combined, the IEA’s two Customs Awareness courses, covered almost half of all non-GDP training participants. The IEA’s 2017 launched “Brexit for your Supply Chain”, which provides participants the opportunity to scenario plan their supply chain for Brexit and delivers practical customs solutions, made up almost a quarter of all non-GDP trainees.
6. Mayo-based Portwest was crowned Exporter of the Year at the 18th Export Industry Awards after winning the Multinational Exporter of the Year category in a highly competitive process. More than 500 export industry professionals attending the gala dinner and awards ceremony with 10 companies winning category awards across a range of sectors.
7. The IEA Supply Chain Series ran 8 events around the country, attended by over 400 exporters and manufacturing companies. The 4 large seminars included IEA Expert Advisory Panels, keynote addresses from industry speakers, panel discussions and breakout sessions. The Revenue Commissioners attended all seminars informing attendees of the opportunities and challenges for their specific region from a customs perspective and discussed customs procedures around dealing with third countries. The four manufacturing roundtables across the country were well attended and allowed participants to highlight and discuss local issues. In addition, the IEA Markets Network Initiative featuring three large Seminars, three training workshops, six webinars e-zines were greatly received.
8. In general, IEA members have put in place some Brexit impact mitigation measures, with half of surveyed members putting in place at least one Brexit mitigation measure. However, at the same time only slightly more than half of all respondents indicated that they already have a formal or non-formal impact mitigation plan in place. Of those members with a mitigation plan in place, the deadline for implementation is between

¹ To qualify, applicants must be an SME (max. 250 employees) with Turnover ≤€50m (£ equivalent); other T&Cs apply. <https://intertradeireland.com/brexit/>

January and March 2019. Plans are predominantly designed around a no-deal scenario for a 6-month period. This is in spite of all respondents having actively engaged in scenario planning for at least one potential post-Brexit impact on their business, with most respondents having engaged in scenario planning for the potential reintroduction of tariffs, the potential reintroduction of customs checks, the routing of in- or outbound goods or the reintroduction of border controls.

9. In March, the IEA hosted a high-level Roundtable on the impact of Brexit on Irish businesses including Lord Michael Heseltine, Lord Andrew Adonis and Sir Nick Clegg, former Deputy Prime Minister and former Leader of the Liberal Democrats. Topics covered included: trade between North / South and East / West; the Customs Union; the Single Market; the Northern Irish border; implications to exports and imports, such as import VAT; the consumer needs of both Ireland and the UK; the EU food law and regulatory framework; the UK landbridge; implications of potential tariffs; the Convention on Common Transit; and both countries working together in a post-Brexit environment.
10. We represented the interests of the export industry under our core policy pillars: Brexit, the Diversification of Export Markets, Cost Competitiveness, the War for Talent and Entrepreneurship. Under these pillars, the IEA is a key and active stakeholder within the Government's work on Brexit, customs, promoting and facilitating International Trade, transport and logistics, future skills and digitalisation. To support our activities, we have provided written and in-person submissions on the proposed EU-Australia and EU-New Zealand Free Trade Agreements, the review of capacity needs at Ireland's state airports, the potential economic opportunities and other impacts on Ireland from Free Trade Agreements, national strategy for future jobs, pre-budget submission 2019 and a national digital strategy.

2018 proved to be a mixed year with Irish exporters successfully navigating the different challenges in the international trade environment. To further support Irish business on their journey and provide them with the necessary skills and knowledge, the IEA will in 2019 launch a brand-new 'Certificate in International Trade'.

Over six full-day modules, the Certificate will encompass all aspects of international trade operations and regulations and will train participants through an educational and supported journey on the fundamental skills required to import and export from the Republic of Ireland when trading internationally. Course modules are designed to improve existing capabilities and to lead to direct on-the-job application. The six modules will be in Import/Export Documentation & Procedures; Customs Regulations; Customs Valuation & Origin; Tariff Codes & Classification; Authorised Economic Operator (AEO); as well as Incoterms & International Contracts.

Above all, in 2019 we will continue to develop new, innovative and member-focused services to assist you, our members, in making the most out of your IEA membership and help you succeed on the international trading stage. We will continue to be the voice of the Irish export industry in Ireland and represent the industry's strategic interests that are at the heart of international in the media and towards all levels of Government.

2018 Government Relations + Submissions

As the voice of the Irish exporting industry, the IEA has been a long-standing and active partner to the Government on important issues to the industry throughout 2017. In order to represent our members, we have been actively engaged and lobbied the Government, Government Departments and State Agencies through one-to-one meetings or stakeholder consultative forums. In particular, we have been engaged on all levels with:

- The Department of the Taoiseach;
- The Department of Foreign Affairs and Trade (DFAT);
- The Department of Business, Enterprise and Innovation (DBEI);
- The Department of Finance, Public Spending and Reform (DFPR);
- The Revenue Commissioners;
- The Department of Transport, Tourism and Sport (DTTAS);
- The Department of Education and Skills (DES);
- Enterprise Ireland;
- Intertrade Ireland; and
- Board Bia

Specifically, the IEA remains a key stakeholder to the Department of Foreign Affairs and Trade on the Export Trade Council (ETC). Chaired by the Minister for Foreign Affairs and Trade and Tánaiste Simon Coveney T.D. and with the participation of representatives from all relevant Government Departments and State Agencies, the ETC is the most effective way raising Irish exporters' global challenges with the Government.

In addition, we continue to hold a permanent seat on the Customs Consultative Committee, which allows us to address customs and taxation related topics, queries and concerns directly with Revenue. The Forum also provides an opportunity for the exchange of information, best practices and allows the IEA to advocate for the advancement of exporter-friendly simplified procedures.

In the context of Brexit, the IEA also holds active seats of the Department of Foreign Affairs and Trade's Brexit Stakeholder Forum, chaired by the Tánaiste and the Minister of State for European Affairs, and the Department of Business, Enterprise and Innovation's Enterprise Forum on Brexit and Global Challenges.

On behalf of its membership, the IEA in 2017 engaged with Government on a number of topics, including:

- Access to Skills and Talent
- Addressing Climate Change
- All-Island Civic Discussion on Brexit
- Brexit
- Budget 2019
- DBEI Addressing the Skills Needs Arising from the Potential Trade Implications of Brexit Project Steering Group
- DBEI Consultation on FTAs with NZ and Australia
- DBEI Enterprise Forum on Brexit and Global Challenges
- DBEI 'Implementation of Expert Group on Future Skills needs Report'
- DBEI Investment initiatives as part of Project Ireland 2040
- DBEI Report on Future Jobs
- DBEI/Copenhagen Economics Study on the Potential Economic Opportunities and Other Impacts on Ireland from FTAs
- Dept. of Taoiseach National Digital Strategy
- DFAT Africa-Ireland Economic Forum
- DFAT Brexit Stakeholder Forum
- Diversification of export markets
- DTTAS Review of the capacity needs at Ireland's state airports: Phase 2
- European Commission Fair Taxation in the European Union

- Oireachtas' Joint Committee on Agriculture, Food and the Marine consultation on the Impact of Brexit on Agriculture, Food and Fisheries
- National Competitiveness
- National Summit in Future Skills
- National Citizens' Dialogue on the Future of Europe
- National Economic Dialogue
- Preparation for the digital transformation
- Regional development
- Revenue Customs Consultative Committee
- Western Rail Corridor

The IEA supports the Regulation of Lobbying Act 2015 and the obligation for those who lobby designated public officials to register and report on their activities. All IEA lobbying activities can be found under <https://www.lobbying.ie/organisation/665/irish-exporters-association>.

Public Consultations and Policy Submissions

The IEA regularly responds to national and European Public Consultations and provides both verbal and written submissions:

- Oireachtas' Joint Committee on Agriculture, Food and the Marine's invitation to submit to its ongoing consultation on the Impact of Brexit on Agriculture, Food and Fisheries
- DBEI Consultation on FTAs with NZ and Australia
- DTTAS Review of the capacity needs at Ireland's state airports: Phase 2
- DBEI review of the potential economic opportunities and impacts on Ireland of EU Free Trade Agreements (FTAs)
- Dept. of Taoiseach National Digital Strategy

All IEA Policy Submissions and responses to Public Consultation can be found under: <https://irisheexporters.ie/news-government-affairs/>

Budget 2019

The IEA prepares an annual pre-Budget² submission highlighting the critical topics for the Irish exporting industry. On Budget 2019, we particularly lobbied Government to: address and improve Ireland's national competitiveness, specifically with regard to Brexit, Transport infrastructure and supporting Irish entrepreneurship; putting in place holistic measures to combatting the increasing war for talent; broadening Ireland's export markets and opening new global business opportunities; and preparing Ireland for the digital transformation in industry, transport and society.

The IEA advised the Government to prepare a prudent Budget 2019 that will build on Ireland's global reputation as a trading hub and to commit strategic investments to grow the infrastructure required to support the exporting industry for at least the next 50 years.

In Budget 2019, we welcomed the attention given to Brexit preparedness measures and future proofing the Irish economy by investing in education and SMEs.

In light of the continued uncertainties caused by Brexit, we welcomed Minister Donohue's announcement for a €300 million Human Capital Initiative, a Future Growth loan scheme for SMEs in the SME, agriculture and food sectors worth €300 million, and the provision of over €110 million for preparation across a number of Departments. We highlighted our

² All IEA Pre-Budget Submissions can be found at www.irisheexporters.ie

concern however that the Government appeared to be preparing support for Brexit based on an assumption that a deal would be done between the EU and the UK without factoring in the potential for a no-deal crash-out by the UK.

We were disappointed that the Government chose not to address the expected impact of the import-VAT regime on Irish Supply Chains and potential cashflow problems on importers in a no-deal scenario. A 6-month deferred accounting of the import-VAT scheme, as proposed by the IEA, would have greatly supported Irish businesses. In the event of a crash-out Brexit, the impact on Irish businesses' from having to pay VAT on UK imports at the point of entry of up to 23% on some imports could seriously impact their cashflow and competitiveness.

We were disappointed by the Government's decision to only raise the Earned Income Credit for the self-employed by €200. With this, the Government missed a prime opportunity to create a level playing field between PAYE workers and the self-employed.

We welcomed the announcement of a Rainy-Day Fund, capitalised by €1.5 billion from the Ireland Strategic Investment Fund and supplemented with an annual contribution of €500 million from the Exchequer starting in 2019, as an important safety rope to protect the State and Irish businesses from outside economic shocks.

We particularly welcomed Minister Donohue's announcement of to allocate €10.8 billion for the Department of Education and Skills, in particular with a strong focus on developing labour market skills through traineeships, Skillnet Ireland and Springboard. We called for some of this funding to be made available to companies to draw down on to avail of specific on-the-job competence building training.

We welcomed the announcement of €285 million of investment for major transport infrastructure works at Knock Ireland West airport and the N4 Colooney to Castlebaldwin scheme. However, we called for more capital investment to address substantial infrastructure shortcomings across the country.

The IEA also welcomed the allocated funding of €950 million for the Department of Business, Enterprise and Innovation to support SMEs address the challenges posed by Brexit and increasing digitalisation. In this regard, we highly welcomed the establishment of a Disruptive Technologies Innovation Fund worth €500 million under the National Development Plan. Along with the €110m earmarked across Government we asked this money is wisely spent to increase Ireland's diplomatic missions abroad, the presence of our agencies and on increasing the number of competent officials in the Department Agriculture, Food and the Marine to deal with the increasing demands for market entry support into further flung markets.

Export Industry Awards

We were delighted to host the 18th Export Industry Awards at the Clayton Hotel, Burlington Road, Dublin on 16 November. Over the last number of years, the Export Industry Awards have become the premier event recognising the outstanding achievements of companies working in and supporting the export industry in Ireland. The 2018 Export Industry Awards were supported by Platinum Sponsors KPMG, Facebook and Trinity Business School, Trinity College Dublin as well as category sponsors Bord Bia, Cathay Pacific Cargo, Dixon International Logistics, Enterprise Ireland, GS1 Ireland, the Irish Maritime Development Office (IMDO) as well as media partner The Sunday Times (Ireland Edition).

Across 11 categories, the Export Industry Awards recognise the remarkable achievements of companies working in the export industry, from Small & Emerging exporters to the

Multinationals, and from Logistics & Supply Chain companies to Tech, Maritime and export service providers. Ireland continues to punch above its weight in international trade and the Export Industry Awards celebrate not just those successful companies that succeed in tackling the international challenges when trading across the world, but also the industry and its supply chain at large.

This year, we were delighted to announce Portwest as the Irish Exporter of the Year, after also winning the Multinational Exporter of the Year category. Portwest convinced the independent judging panel through their approach to product innovation, IP and global growth strategy. In particular, the judges were impressed by Portwest's focus on their Irish heritage, community engagement and on doing all their R&D and IP in Ireland. Portwest, of Westport Co. Mayo, received their Award in attendance of 500 export industry professions as well as Ambassadors and representatives from over 25 Embassies.



CEO of the Irish Exporters Association, Simon McKeever with Harry Hughes, Exporter of the Year 2018 and CEO of Portwest, his wife Deirdre Hughes; President of the Irish Exporters Association, Nicola Byrne; and members of the Portwest team

Established in 1904, Portwest is a family owned business and continues to be managed by the 3rd generation of the Hughes Family. The company is the world's fastest growing manufacturer and distributor of work wear, safety footwear and PPE with a presence in over 130 countries worldwide. Portwest have developed ground-breaking product innovation in the last two years such as the Portwest "Ezee" Zip, the first major zip technology in over a century.

2018 Export Industry Awards - Categories & Winners

- **Medium Size Exporter of the Year Award** - Turmec Engineering
- **Export Innovation of the Year Award**, sponsored by KPMG Ireland - TransferMate Global Payments
- **Services Exporter of the Year**, sponsored by Trinity College Dublin - WiseTek
- **Food & Drink Exporter of the Year**, sponsored by Bord Bia - William Grant & Sons Irish Brands
- **Life Sciences Exporter of the Year**, sponsored by Dixon International Logistics - Silvercloud Health
- **High Potential Exporter Award**, sponsored by Enterprise Ireland - Nutritics
- **Small & Emerging Exporter of the Year**, sponsored by Facebook - Silvercloud Health
- **Multinational Exporter of the Year**, sponsored by GS1 Ireland - Portwest
- **Maritime Services Company of the Year**, sponsored by the Irish Maritime Development Office - Kontainers
- **Technology Exporter of the Year**, sponsored by The Sunday Times - Cora Systems
- **Logistics & Supply Chain Company of the Year**, sponsored by Cathay Pacific Cargo - Rhenus Logistics Ltd.

2018 Export Industry Awards – Independent Judging Panel

Chairperson: *Pat Higgins, Head of Business Development, Queally Group*

Independent Observer: *Liam Lynch, Partner, Financial Services, KPMG*

Group A: Services, Export Innovation, Technology

- *Padraic White, Chairman, Collins McNicholas Recruitment & HR Services*
- *David Brophy, Partner & Patent Attorney, FR Kelly*
- *Aisling McEvoy, Ph.D. | Head of Enterprise Partnerships, Programmes Directorate, Science Foundation Ireland*
- *Giulio Buciuni, Director of Master in Entrepreneurship, Trinity Business School*

Group B: High Potential, Medium Size, Small & Emerging, Food & Drink

- *Margaret Hearty, Director of Programmes and Business Services, InterTradeIreland*
- *Kieran Comerford, Head of Enterprise, Local Enterprise Office*
- *Breege O'Donoghue, Chair, Design & Crafts Council of Ireland*

Group C: Logistics, Life Sciences, Multinational, Maritime Services

- *Howard Knott, Logistics Consultant*
- *Breda O'Toole, Head of Department, Product Development & Transformation, IDA*
- *Mick Curran, CEO, Chartered Institute of Logistics & Transport Ireland (CILT)*

2018 Export Industry Awards Alumni Programme

Designed in conjunction with KPMG and Trinity Business School, Trinity College Dublin, the 2018 Export Industry Awards Alumni Programme was open to past Awards category winners and former shortlisted companies. The schedule of events included an Awards Alumni Masterclass held at Trinity Business School, Trinity College Dublin and two half day seminars on international business development strategies and on building resilience in the Irish export industry.

IEA Supply Chain Series



CEO Simon McKeever with IEA Supply Chain Series Sponsors Glen Carr, General Manager Rail Freight & Rosslare Europort, Iarnród Éireann/Irish Rail; Eddie Cullen, Managing Director, Commercial Banking Division, Ulster Bank; Jarlath Sweeney, Editor, Fleet Transport Magazine; and Declan Sinnott, Managing Director, Rhenus Logistics Ireland

In association with Rhenus Logistics, Ulster Bank and Iarnród Éireann Irish Rail and media partner Fleet Transport, the IEA in February launched its programme of events for the 2018 IEA Supply Chain Series. The initiative, in its second year, focused on import and export challenges for manufacturers and service providers; offer solutions and practical support from logistics, trade finance experts and exporting companies; provide information around third country shipping and associated documentation as well as maximising opportunities with our air, road, sea and rail services.

The Series consisted of a collection of 4 IEA Supply Chain Large Seminars, 4 IEA Exporters Roundtables, 4 Multi modal Working

Groups. In addition, the Supply Chain Series offered 7 interactive Supply Chain Webinars as well as 4 quarterly newsletters.

The 2018 IEA Supply Chain Series Large Seminars had a strong focus on a regional spread with events in Dublin, Cork, Limerick and Dundalk and focused on case studies from local exporters, experts in industry standards, regulatory and compliance, as well as best practice advice across the supply chain by experts.

The Exporter Roundtables, chaired by Patrick Daly, provided manufacturing businesses with an open and private forum to address sector-specific issues including trade assistance, financing, energy and transport.

Schedule of the 2018 IEA Supply Chain Series

- 23 March 2018 – Supply Chain Large Seminar, Limerick
- 28 March 2018 – Supply Chain Exporters Roundtable, Sligo
- 26 April 2018 – Supply Chain Large Seminar, Dundalk
- 20 June 2018 – Supply Chain Exporters Roundtable, Galway
- 28 September 2018 – Supply Chain Large Seminar, Cork
- 24 October 2018 – Supply Chain Exporters Roundtable, Athlone
- 08 November 2018 – Supply Chain Exporters Roundtable, Wexford
- 07 December 2018 – Supply Chain Large Seminar, Dublin

2018 IEA Supply Chain Webinars

- 16 April – Union Customs Code
- 14 May – Risk & Quality Management
- 21 May – GDPR for Global Payroll Operations
- 16 June – Digitalising your Global Supply Chain Visibility
- 09 July – Half-year Multi modal update
- 20 August – AEO & Cyber Security
- 24 September – Warehousing

IEA Markets Network Series



David Kennedy, International Markets Manager, Bord Bia; Sinead Fitzmaurice, Co-Founder and CFO, TransferMate Global Payments; Simon McKeever, Chief Executive of the Irish Exporters Association; Brian Murray, Commercial Director, DHL Express

New for 2018, the IEA launched a Markets Network initiative in association with partners DHL Express, TransferMate and Bord Bia. The new programme was made up of a series of regional seminars, training days as well as an online offering featuring e-zines and monthly webinars. The IEA Markets Network aims to support exporters in accessing overseas market opportunities and support them in better understanding the opportunities and challenges as they explore, enter or expand to new markets overseas.

The innovative format of the new Series included knowledge briefing sessions with Ireland's Embassy network overseas and third-country Ambassadors based in Ireland. Through exporter case studies, participants

gained an expert insight into the opportunities of entering specific markets.

We would like to particularly thank Ireland's Embassy network overseas and third-country Ambassadors based in Ireland for their kind participation in the initiative.

Schedule of the 2018 IEA Markets Network Initiative

- 14 March 2018 – French Market Seminar, Dublin
- 14 April 2018 – Training Workshop, Dublin
- 06 June 2018 – Training Workshop, Cork
- 30 May 2018 – US Market Seminar, Dublin
- 22 October 2018 – Canada Market Seminar, Cork
- 21 November 2018 – Training Workshop, Dublin

2018 IEA Markets Network Initiative webinars

- 13 April – Doing Business in India
- 15 June – Doing Business in China
- 27 July – Doing Business in the United Kingdom
- 04 September – Doing Business in Canada
- 21 September – Doing Business in Australia
- 14 November – Doing Business in the UAE



Kevin Vickers, Ambassador of Canada to Ireland, speaking to participants at the "Market Diversification & Business Opportunities - A Focus on Canada" event at McAfee Ireland on 22 October 2018

IEA Regional Council

As part of its regional strategy, the IEA in 2016 established IEA Regional Boards which are made of representatives of local exporting businesses and service providers to the industry. The Western Regional Council was chaired by John Carr, VP of Supply Chain Solutions at

Flextronics and the Munster Regional Council was chaired by Tim Daly, Director of Operations at McAfee Ireland.

The aim of the Regional Councils is to reinforce the IEA's work as a national body, ensure the organisation's continued presence at the local level and provide a platform for an exchange of views between local the local export community and the IEA.

We were specifically delighted to continue to build on the strength of the Western Regional Council throughout 2018 with the Regional Council particularly engaged around the topics of regional development, transport and infrastructure as well as skills and access to talent.

Acknowledgements

I would like to greatly acknowledge the consistent support and commitment of the National Council throughout the year and their guidance and support to the association has been invaluable. I am also particularly grateful for the valued commitment members of the IEA Regional Councils and subcommittees continue to give to guide the association's services and actions.

I would like to extend my gratitude to the members of the IEA Executive Council for their support and continued guidance: President Nicola Byrne, Vice-Presidents Marie Armstrong and David Carthy as well as Honorary Treasurer Kieran Spellman and former President Paschal McCarthy. I would also like to thank Honorary Economist Ronnie O'Toole for his continued guidance through the global economic landscape.

I would also like to pay my particular gratitude to the entire IEA team for their hard and dedicated work throughout the year to support and grow the work of the association. The organisation's expert range of membership supports and services to assist Ireland-based exporters access markets around world would be impossible without their commitment and devotion.

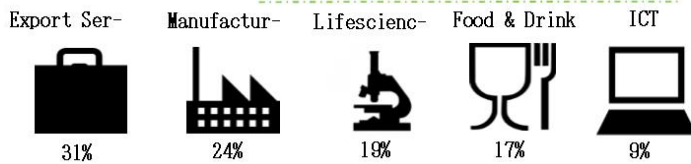
I am grateful for the many corporate and business partners who have supported the work and various events and initiatives of the IEA. I would also like to thank our partners in Government, State Agencies, civil service and Embassy network who support our work and commitment to assist businesses facilitate and grow Irish exports.

Finally, and most importantly, I would like to thank you, our members. Without your extensive support, encouragement and continued membership, it would be impossible to work for you at all levels. Our mission and daily work are to support you in maximising the many opportunities of trading globally and we look forward to continue supporting you in your endeavours throughout the next years.

2018 at a glance

Membership

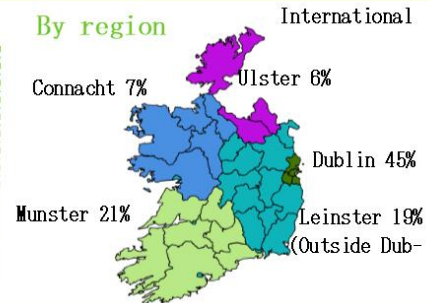
Exporters by sector



By size

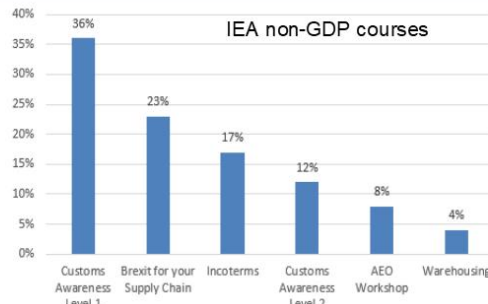


By region



Training

- ⇒ 6 specialist courses
- ⇒ Over 1,100 attendees
- ⇒ 24 new GDP Champions



Consular Services

- ⇒ Business & tourist visas
- ⇒ Document legalisation
- ⇒ Notarisation
- ⇒ Certification
- ⇒ Apostille

New For 2019

- ⇒ Certificate in International Trade

Government representation



Market Diversification

1. United States
2. Germany
3. France
4. Italy
5. Saudi Arabia
6. Denmark
7. The Netherlands
8. Australia
9. Austria
10. China

Events & Networking

Nearly 2K attendees at 40 IEA events and webi-



Economic Review and Outlook

Irish exports post new records

Ireland's 2018 Export Performance in Figures

Goods: €141bn

Services: €180bn

Total: €321bn

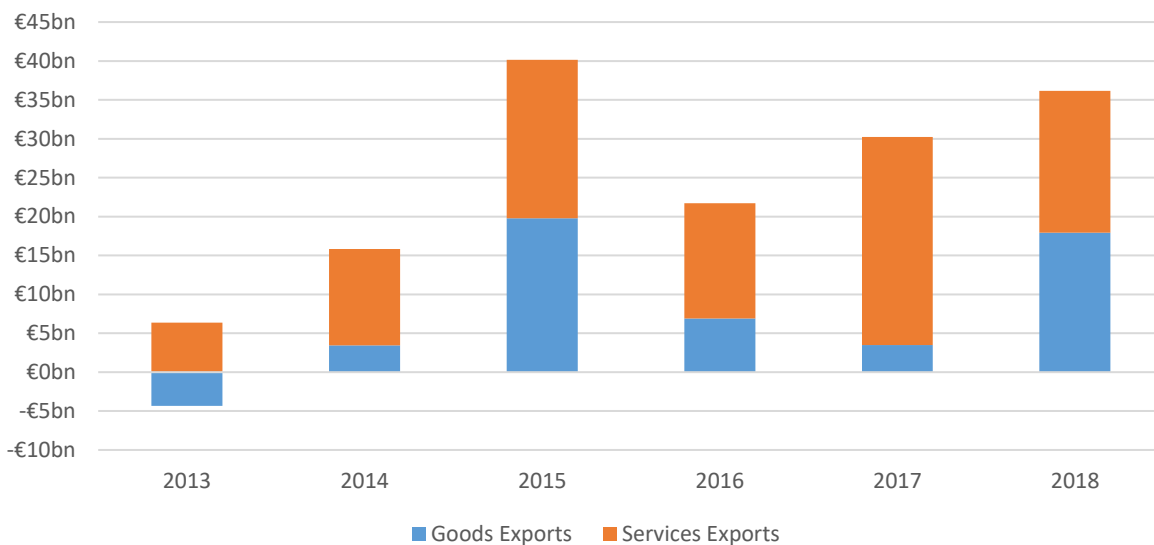
2018 proved to be the second-best year for Irish export growth in recent years.

As in 2015, growth was broadly based, with strong contributions from both goods exports and services exports as both indigenous and foreign-owned firms continued to flourish.

Total exports for the year reached €321bn, an increase of over 80% in just five years.

Source: CSO

Year on Year Growth in Exports

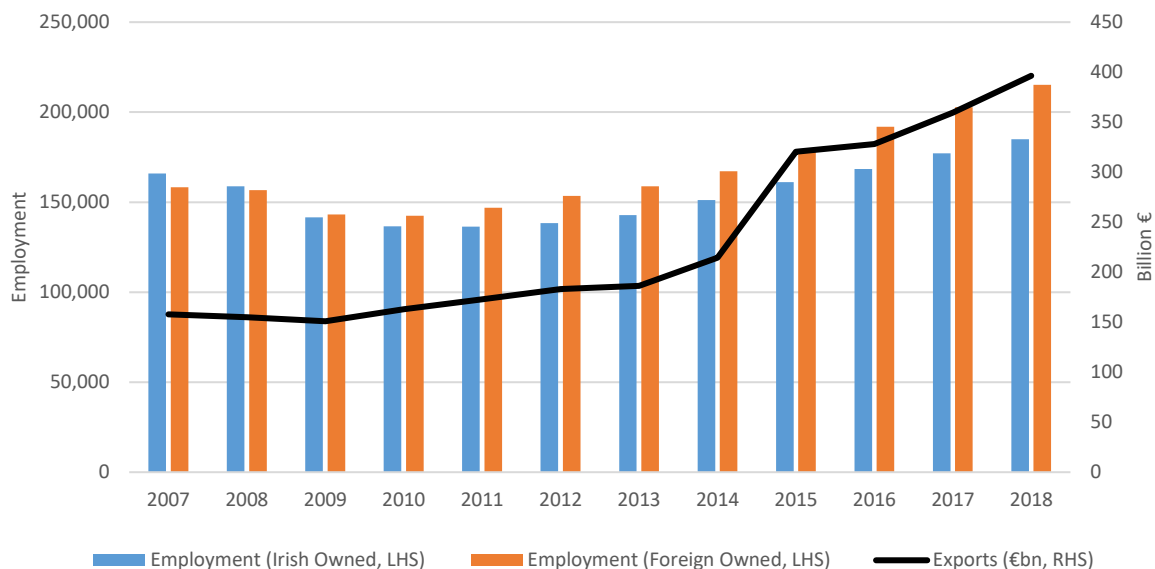


Export employment tops 400,000

Job growth in Irish and foreign-owned exporting companies continued to grow strongly in 2018. The total across all agency-supported firms topped 400,000 for the first time on record in 2018, representing an increase of 100,000 over five years. Of this 400,000, just over half (54%) are in foreign-owned firms, while half (46%) are in Irish-owned firms.

Total employment in the Irish economy had reached 2.3 million by Q1 2019, with three in ten of net employment creation being in an exporting firm. The actual employment impact of rising exports, however, is greater than this, as it includes all of the additional employment created by firms which supply into exporting firms. This job growth is in turn driving higher immigration and lower emigration, with net-immigration estimated to be 34,000 in 2018 alone. It is now expected that the Irish population will top 5m in 2020.

Export Value and Employment, 2007-2018



Source: Annual Employment Survey; CSO (BOP Statistics). 2018 employment figures taken from EI/IDA press releases.

Chemicals sector continues to drive merchandise growth, though food the largest employer

Goods exports rose 15% in 2018, or by over €18bn in value terms. This sector accounts for 60% of the value of Irish merchandise exports, making it by far the most important single exporting sector by value. However, this sector is driven by large capital investments, with employment in this sector (31,000) only accounting for 13% of total employment in merchandise exporting firms. The largest employing sector among goods exporting firms is food, accounting for 52,000 jobs, a large proportion of which (46,000) are in Irish-owned firms. By contrast, the chemicals sector is dominated by foreign-owned firms.

Goods Exports Classified by Sector

	2016 €million	% Change	2017 €million	% Change	2018 €million
Total food and live animals	10,096	13%	11,374	-2%	11,189
Beverages and tobacco	1,334	2%	1,363	6%	1,440
Crude materials, inedible, except fuels	1,529	19%	1,814	6%	1,921
Mineral fuels, lubricants & related materials	691	43%	992	21%	1,204
Animal and vegetable oils, fats & waxes	78	17%	91	-29%	65
Chemicals and related products, n.e.s.	66,385	2%	67,821	26%	85,754
Manufactured goods classified by material	2,144	6%	2,276	2%	2,321
Machinery and transport equipment	21,420	-2%	20,892	-6%	19,935
Miscellaneous manufactured articles	14,645	1%	14,854	6%	15,716
Commodities and transactions n.e.s.	969	5%	1,014	20%	1,162
Total Goods Exports	119,292	3%	122,492	15%	140,706

Source: CSO

Computer services exports drive growth

Ireland's services exporting firms reported very strong growth in 2018, building on the surge in revenues witnessed in 2017. The total value of services exports topped €180bn in the twelve months to end-December 2018, an increase in €18bn on 2017. While in the last number of years services growth has been very broadly based across a number of industry sectors, in 2018 almost all of the growth witnessed can be ascribed to the computer services sector. That sector does not account for almost half of all services exports, and one quarter of all Irish exports, and remaining larger than even the chemicals sector. Services exporters now account for 56% of exports, one of the highest ratios in the EU. However, computer services exports are far more labour intensive, with the sector accounting for 79,400 jobs, compared to 31,000 for chemicals.

Services Exports Classified by Sector

	2016 €million	% Change	2017 €million	% Change	2018 €million
Repairs and processing	2,527	-21%	1,994	-5%	1,899
Transport	7,225	12%	8,088	-4%	7,746
Tourism and travel	4,685	6%	4,972	5%	5,237
Communications	719	-9%	657	-37%	415
Insurance	9,296	5%	9,747	-1%	9,664
Financial services	13,287	17%	15,544	-1%	15,354
Computer services	58,079	17%	68,080	27%	86,222
Royalties/licences	8,052	13%	9,100	29%	11,777
Business Services	30,093	31%	39,553	-4%	38,024
Other services not elsewhere stated	1,113	268%	4,096	-9%	3,741
Total Services Exports	135,076	20%	161,831	11%	180,079

Source: CSO

Outlook for 2019/2020

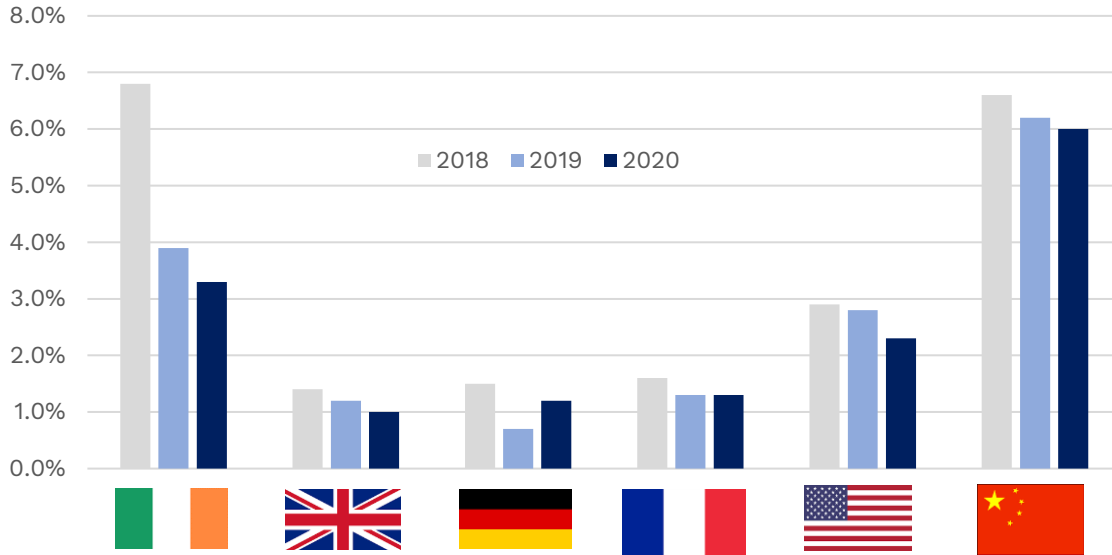


Ronnie O'Toole,
IEA Honorary Economist

There has been a significant global weakening of economic conditions, which has affected the immediate prospects for Ireland. While economic growth in Ireland is projected to remain robust, it is expected to ease gradually to 3.9% in 2019 and 3.3% in 2020.

2018 saw Ireland outstrip China's growth rate and, while lower, Ireland is still expected to post one of the strongest growth performances in the EU in 2019 and 2020. The lower growth rate is being led by a fall in projected export growth, though domestic demand remains strong.

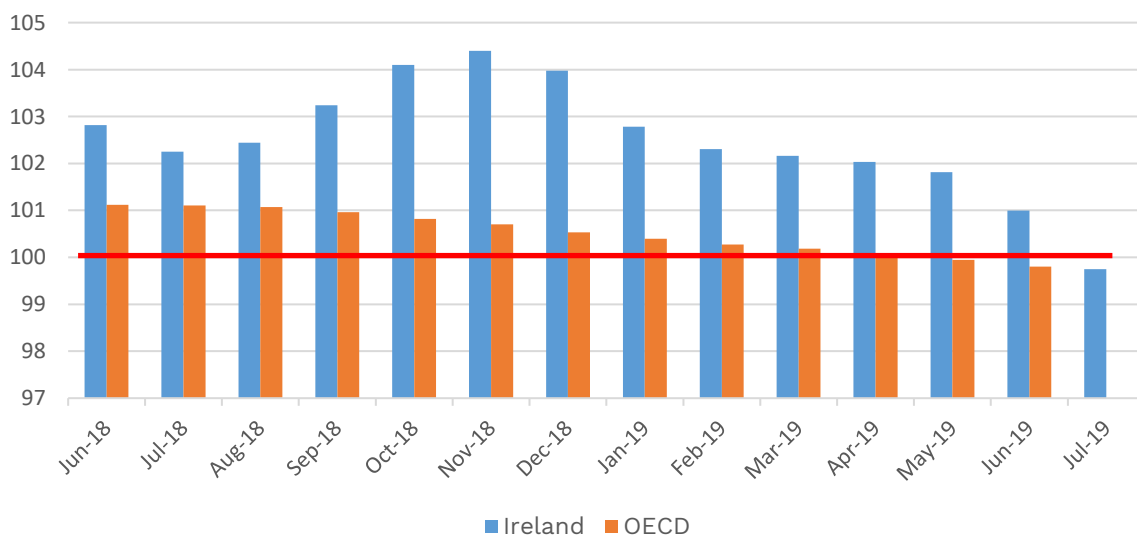
World Economic Growth Prospects



Source: OECD, May 2019

The slowing in the growth outlook is reflected in lower business confidence in Ireland and across the OECD, which has been falling since the turn of the year. The business confidence indicator provides information on future developments, based upon opinion surveys on developments in production, orders and stocks of finished goods in the industry sector. It can be useful in monitoring output growth and to anticipate turning points in economic activity. Numbers above 100 suggest an increased confidence in near future business performance, and numbers below 100 indicate pessimism towards future performance.

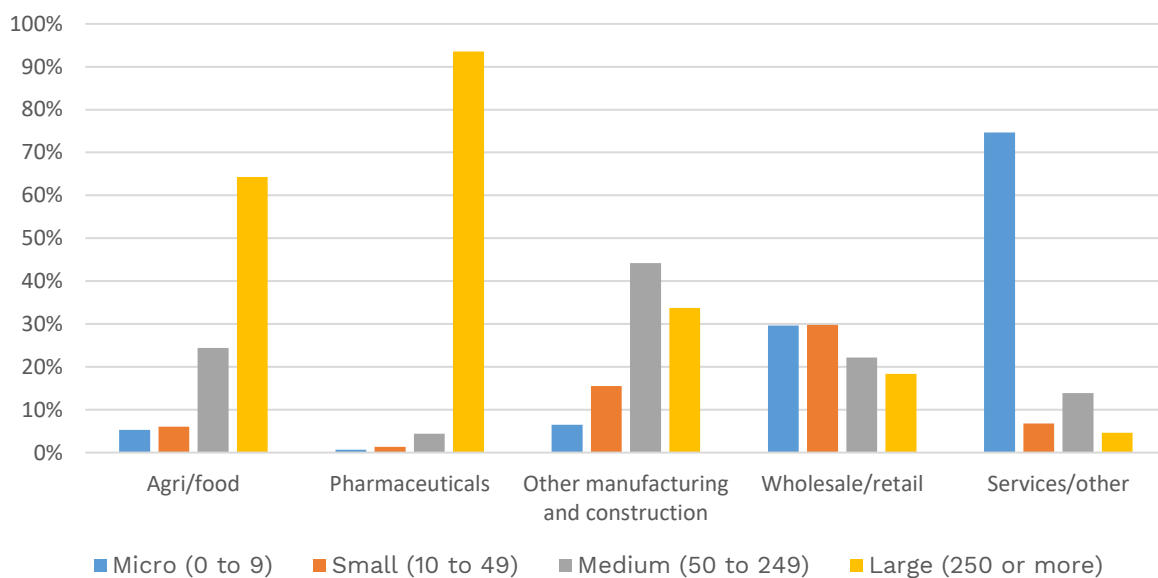
Business Confidence



However, Ireland's growth has stalled after a remarkable decade which has seen unemployment fall from greater than 15% to a position of full unemployment in 2019. While

challenges remain, Ireland is in an immeasurably better position than a decade ago to deal with challenges like Brexit, a slowdown in world trade or any other demand or supply shock that may emerge over the next eighteen months. However, that is not to say that these issues, and Brexit in particular, will be anything but a huge challenge for many firms and sectors. The following figure shows the distribution, by firm size, of Irish exports to the UK. It shows, for example, that a large majority of pharmaceuticals exported from Ireland to the UK are in large firms, who may have more resources to plan and mitigate any risks relating to Brexit. In contrast, a large proportion of other services are in micro-firms, who may find a post-Brexit scenario more difficult to adjust to.

Distribution by Firm-Size of Irish Exports to UK



For any comments or queries: ronnie.otoole@gmail.com

Audited Accounts for year-to-end 31 Dec 2018

INCOME AND EXPENDITURE ACCOUNTS

for the year ended 31 December 2018

	2018 €	2017 €
Income	1,554,489	1,636,718
Expenditure	(1,551,658)	(1,647,377)
Surplus/(deficit) before interest	2,831	(10,659)
Interest payable and similar expenses	-	(2)
Surplus/(deficit) before tax	2,831	(10,661)
Tax on surplus/(deficit)	578	-
Surplus/(deficit) for the year	3,409	(10,661)

BALANCE SHEET

For the year ended 31 December 2018

	2018 €	2017 €
Fixed Assets		
Intangible Assets	29,150	-
Tangible Assets	11,903	8,656
	<hr/> 41,053	<hr/> 8,656
Current Assets		
Debtors	495,117	303,269
Cash and cash equivalents	258,889	101,215
	<hr/> 754,006	<hr/> 404,484
Creditors: Amounts falling due within one year	(611,091)	(232,581)
	<hr/> 142,915	<hr/> 171,903
Net Current Assets		
	<hr/> 183,968	<hr/> 180,559
Total Assets less Current Liabilities	183,968	180,559
	<hr/> <hr/>	<hr/> <hr/>
Reserves		
Income and expenditure account	183,968	180,559
	<hr/>	<hr/>
Members' Funds	183,968	180,559
	<hr/> <hr/>	<hr/> <hr/>

2018 IEA National Council members

IEA President – Nicola Byrne, *Cloud 90*

IEA Senior Vice-President – Marie Armstrong, *KPMG*

IEA Junior Vice-President – David Carthy, *DLA Piper International LLP*

IEA Honorary Treasurer – Kieran Spellman, *Betbright*

IEA Honorary Economist – Ronnie O'Toole

Tim Daly, *McAfee Ireland*

Colin Dunne, *IWT*

James McGee, *Athlone Extrusions*

John Carr, *Flextronic*

Michael Sanfey, *IAG Cargo*

Paschal McCarthy, *Paschal McCarthy Management and Consulting Services*

Patrick Joy, *Suretank*

Suzanne Trehy, *CRH*

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Tel: 01 642 4170

Liming Tao – *Bookkeeper*

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Ray Hunt – *Independent Financial Controller*

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