

LOUTH COUNTY COUNCIL

Minutes of Economic Development & Enterprise Support SPC Meeting Held In Council Chamber, County Hall, Dundalk on Monday 12th December, 2016 at 3.30pm

Present: Cllrs: Mark Dearey (Chairman), Conor Keelan, Alan Cassidy, Marianne Butler
Ms Karen Devine, Environment/Conservation
Mr Eddie Phelan, Development/Construction
Mr Pat Mulligan, Community/Voluntary
Mr Simon McCormack, Business/Commercial

Officials: Frank Pentony, Director of Service
Mary T Daly, Senior Executive Officer
Thomas McEvoy, Head of Louth LEO
Miriam Roe, Staff Officer

Apologies: Cllrs: Thomas Sharkey, Kevin Callan, Pio Smith
Mr Paddy Donnelly, Agriculture/Farming

1. Minutes of Previous Meeting:

Upon the proposal of Ms Karen Devine and seconded by Mr Eddie Phelan the minutes of the meeting of 12th September, 2016 were adopted.

Upon the proposal of Cllr Conor Keelan and seconded by Cllr Alan Cassidy the minutes of the special meeting of 5th October, 2016 were adopted.

2. Matters Arising:

Mary T Daly updated the members regarding the Town and Village Renewal Scheme stating that 8 proposals were put forward and received the maximum grant of €380,000.

Cllr Dearey praised the Cross Border Alliance Event held in Stormont which involved a discussion on improving the employability of humanities graduates and the launch of new resources.

Cllr Keelan welcomed the attendance of Ruairi Deane, Fáilte Ireland at the October Council meeting. He asked if an invitation could be extended to Martina O'Dwyer to attend an SPC meeting in 2017.

Speaking on behalf of Cllr Smith, Cllr Dearey asked if there was an update on the Purple Flag for Drogheda. Mary T advised that due to their substantial involvement with this project that a meeting has been arranged with the Garda Superintendent in Drogheda. Cllr Dearey was asked through the Drugs and Alcohol Task group to have it noted that one of the Purple Flag sponsors is Diageo.

3. Meeting Schedule 2017:

The meeting schedule for 2017 was agreed on the proposal of Cllr Butler and seconded by Cllr Cassidy.

4. Diaspora Strategy Update:

Mary T Daly gave an update to the members on the County Louth Diaspora Strategy, which it was hoped would be brought before the Council in February. Discussion followed which covered the consultation process, what the strategy would include and timelines for same.

5. Louth Economic Forum Update:

Cllr Dearey welcomed Martin Cronin, Chairperson of the LEF, to the meeting. Martin opened the discussion by saying that he joined the Forum as Chair with an open mind. His initial impression was that Louth had developed a suite of sensible strategies. The next phase is to focus on the most important and most impactful actions and on delivering those. Each Action Plan has an implementation team which is vital to their delivery.

Martin used the FDI plan as an example to show how the implementation team had identified 3 priority areas:

Short Term- Availability of attractive property portfolio for FDI.

Medium Term -Close collaboration with DkIT and encouragement of an ambition to become a technological university

Long Term: the future of town centres which needs thoughtful planning and ongoing work.

Cllr Dearey welcomed the formation of these implementation groups. Cllr Sharkey had previously put forward the idea of an MOU between Louth County Council and DkIT and this might be something worth exploring going forward.

6. Economics of Brexit:

Cllr Dearey welcomed three members from the Infrastructure, Planning and Cross Border SPC; Cllr Markey, Cllr Tully and Mr Paddy Malone to join in the discussion on Brexit.

The discussion was split into the following categories for clarity of discussion: Currency, Agri-Food and Trade, Labour, Services.

Currency and Agri-Food & Trade:

- Currency shouldn't be discussed in isolation as it cross cutting through all of the headings. It will have a major impact on all business after Brexit.
- It is very likely that WTO rules will apply. Irish exports will adopt a tariff of between 10-50+%.
- It's important for business to know what tariff category their goods fall into otherwise there is a danger they will be left very exposed.
- Irish companies must think about insulating their currency. However, currency fluctuations is not seen as as big a problem as tariffs.
- InterTrade Ireland, by way of helping businesses navigate through Brexit, are offering a 'Brexit Readiness Voucher' to the value of €1250 toward professional advice in areas such as: Tariffs, sales and marketing, finance and regulation.
- Retail is a big employer, particularly, in Dundalk. It is very hard for retailers to look at viability in the long term if they are not viable in the short term. They will be vulnerable in the short term with regard to currency fluctuations.
- Retailers feel the impact of currency variations very quickly. As retail is the biggest 'rate payer' in the county, a clear message needs to go out to say that *'we are cognisant of the issues and are keeping abreast of changes'*.
- The Government needs to look at support mechanisms for businesses in border towns.
- Commercial Rates need to be re-visited with the possibility of a short term subsidy.
- As the outcome of Brexit negotiations is unknown we cannot predict what the effect will be. Therefore, businesses must look now at the impact of WHO rules and formulate a plan/strategy and the Brexit Vouchers are a route to accessing this.
- Businesses need to plan for a hard Brexit and put in place these building blocks today to be able to deal with whatever issues Brexit throws up.
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- Agri-food exports to the UK account for approx 40%+ of the total food exported from Ireland.
- Immediate impact in this sector will be currency fluctuations which as affected prices in the meat and dairy industry.
- Some measures were put in place by the Minister for Agriculture.

- At least half of the cross border trade is in Agri-food items which are a high tariff category. Brexit will have a huge impact on the farming and agri sector and tariffs are a major concern for this sector. Beef side of the market has a great dependency on UK markets
- Agri/Farming sector are doing all they can in the EU markets at the moment. Feed is brought in predominantly from US.
- Is there an opportunity for Irish producers to source product ingredient in the UK at a lower price?
- N Ireland will form part of any UK deal and businesses need to focus on a contingency plan.
- Both LEO and Enterprise Ireland will work with clients to help them increase performance using what are called 'lean' tools and techniques
- Business should try and focus on opportunities. It's possible that there will be additional foreign investment into the sector.

Labour:

- The Belfast Agreement covers taxation and is separate to EU treaties and won't be impacted by Brexit.
- Will there be free movement of workers? This will have major implications for the 20,000 who commute cross border each day.
- How will Brexit impact on the construction industry and in particular public service contracts. It is possible that they may not be able to compete under E Tenders.
- Perhaps, in light of our position, that Louth should put forward a case to the Valuations Office to get Louth re-valued.

Services/Tourism:

- What impact will Brexit have on INTERREG Projects such as the 'Isles Project. How will it proceed.
- DkIT are involved in a number of Horizon 2020 projects. Now that we are facing Brexit should or will Queens University be involved?
- Many 3rd level students travel from NI to DkIT to study and they are asking how Brexit will affect them with regard to travel and grants. The same applies to Irish students travelling to N.I., Scotland and the UK to study.
- Single Energy Markets – interconnectivity is the key.
- Energy Market Security – we are vulnerable as we import most of our energy. Brexit will put even more barriers in place
- The Newry, Mourne Gullion region has been neglected by NI Tourism and Fáilte Ireland. This will only get worse in light of Brexit. Tourists don't see a border.
- IAE is a good opportunity to focus on this and take control.
- There is always an underlying risk where the open economy doesn't work the black economy will.

Mary T to draft a submission to the Office of the Taoiseach based on the points raised and revert to Cllr Dearey.

The next meeting will be held on Monday 13th March, 2017 at 3.30pm in the Cooley Room, County Hall, Dundalk.

This concluded the meeting:

Confirmed at Meeting held on: _____

Signed: _____
Chairman