Northern Ireland as a bridge rather than a border between the UK and the EU
Manufacturing is the 3rd largest sub-section of employment.

Well paid, sustainable jobs in places where people want to work, set up home and contribute to their community.
£9.9bn
Total GVA Contribution
For every £1bn that the sector directly contributes, it also generates £1.1bn indirectly

85,200 Jobs
Direct employment

214,000 Jobs
Total employment in 2015
The manufacturing sector sustained one quarter of all jobs in NI in 2015

£4.2bn
in Wages
£2bn in direct wages and a further £2.2bn in supported jobs
Overwhelmingly **Small Firms**

**Fig. 6. Manufacturing businesses by employee bands in Northern Ireland, 2015**

<table>
<thead>
<tr>
<th></th>
<th>Business Share</th>
<th>Employment Share</th>
<th>Turnover Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-49</td>
<td>92%</td>
<td>27%</td>
<td>19%</td>
</tr>
<tr>
<td>50-249</td>
<td>7%</td>
<td>23%</td>
<td>32%</td>
</tr>
<tr>
<td>250+</td>
<td>1%</td>
<td>49%</td>
<td>49%</td>
</tr>
</tbody>
</table>
Fig. 5. Manufacturing employment in Northern Ireland, 2015

Source: DETI, Oxford Economics
The Top 100 Owner Managed and Family Businesses in Northern Ireland 2017

**Broader Business Sectors**
- Manufacturing: 33
- Distribution: 14
- Construction: 18
- Services/Others: 12
- Engineering: 7
- Hotels: 4
- IT: 3
- Transport: 5
- Medical/Healthcare: 3
- Recruitment: 1

**Local Family Managed Businesses**
- In the Top 100: 71
- Number of new entrants to the list in 2017: 34
- Number of businesses now required to pay Apprenticeship Levy: 76

**Local Owner Managed Businesses in the Top 100**: 29

**Locations by County**
- Londonderry/Derry: 9
- Antrim: 46
- Down: 15
- Tyrone: 18
- Fermanagh: 3

**£6 million**
- Approx. amount to be paid by these businesses

**Approx 15,000**
- Of those employed by local owner managed businesses

**Approx 36,000**
- Of those employed by local family businesses

**Combined Payroll of these businesses in excess of £1.5BN**

**Over 51,000**
- People employed by these businesses across Northern Ireland

**61**
- Number of businesses who experienced a rise in profits
65% of business R&D; 47% of all R&D

£6.7b Export sales

38% Higher Productivity than NI avg

+27% in advanced manuf.
Our roadmap to manufacturing success is built on...

Create the most competitive region in Europe in which to start, sustain and grow a manufacturing business, thus creating wealth and work.
Northern Ireland’s cost base has been rising higher relative to manufactures across the world.

Manufacturing PMI input cost survey

Source: Markit Economics & Ulster Bank
“... reduced competitiveness of the sector puts at risk the thousands of jobs and livelihoods that the manufacturing sector supports in communities across the region.”
NI manufacturers cannot afford the cost of being outside of the Customs Union.
Half of exports go to the EU

Three quarters of imports are from the EU

Manufacturing is already very complex, more complexity makes it unsustainable?
 Whilst UK focus is on a FTA, little commitment is given on non-tariff barriers.

FULL cost of each Country of Origin certificate is £478!
Full COO admin costs *(based on SA sale)*

**INSURANCE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 ORIGINAL CERTIFICATES</td>
<td></td>
<td>0.25% TOTAL VALUE</td>
<td>£100.00</td>
</tr>
<tr>
<td>3 COPIES</td>
<td></td>
<td></td>
<td>£7.50</td>
</tr>
<tr>
<td>3 SAUDI REPRESENTATION LETTERS</td>
<td></td>
<td></td>
<td>£15.00</td>
</tr>
<tr>
<td>LETTER OF CREDIT INSURANCE SHOULD COVER (110%)</td>
<td></td>
<td></td>
<td>£175.00</td>
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<tr>
<td>STAFF TIME PREPARING DOCUMENTATION</td>
<td></td>
<td>2 HOURS AT £20PH</td>
<td>£40.00</td>
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</tbody>
</table>

**CHAMBER OF COMMERCE COSTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>LETTER OF CREDIT REQUIRED INVOICE ATTESTED BY N IRELAND CHAMBER OF COMMERCE</td>
<td>1 ORIGINAL</td>
<td></td>
<td>£35.00</td>
</tr>
<tr>
<td></td>
<td>3 COPIES</td>
<td></td>
<td>£7.50</td>
</tr>
<tr>
<td>LETTER OF CREDIT REQUIRED CERTIFICATE OF ORIGIN ATTESTED BY CHAMBER OF COMMERCE</td>
<td>1 ORIGINAL</td>
<td></td>
<td>£35.00</td>
</tr>
<tr>
<td></td>
<td>1 COPY</td>
<td></td>
<td>£2.50</td>
</tr>
<tr>
<td>MILES TO BELFAST RETURN DOOR TO DOOR</td>
<td>60 MILES</td>
<td></td>
<td>£27.00</td>
</tr>
<tr>
<td>HOURS TRAVELLING DOOR TO DOOR</td>
<td>2 HRS</td>
<td></td>
<td>£30.00</td>
</tr>
<tr>
<td>PARKING</td>
<td></td>
<td></td>
<td>£3.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td>£478.00</td>
</tr>
<tr>
<td>FIRST TIME</td>
<td></td>
<td></td>
<td>£300.00</td>
</tr>
<tr>
<td>AMENDMENTS</td>
<td></td>
<td></td>
<td>£100.00</td>
</tr>
<tr>
<td>SASO - PER SHIPMENT</td>
<td></td>
<td></td>
<td>£240.00</td>
</tr>
</tbody>
</table>
So, we have 4 choices...

1. Find a way to stay in the CU with SM access – could be special status or UK FTA etc.
2. Compensate for the heavy costs of leaving
3. Do nothing, watch firms leave
4. Create a special NI origin status and become a bridge rather than border between the UK and EU
Anyone remember PONI?

Goods verified as being of NI origin, and approved for free movement across the land frontier. Customs checks could be focused on the authorisation and approval procedure, with controls carried out at traders premises and not at the border
Flow of goods could be facilitated if there is a clear mutual recognition and acceptance of PONI status, showing that such goods meet (or surpass) UK and EU standards and accordingly could travel freely between north and south, and west to east.
This arrangement would be based on self-assessment and subject to verification and authentication agreed jointly between the business community and relevant customs and public authorities.
“... when manufacturing grows, the whole economy grows with it.”
Growing manufacturing to 20% of GVA would transform the economy and the community.
We’re ‘Brexitting’ due to a political choice, but only business can make Brexit work.

It’s time to move from words to pragmatic solutions and delivered by October 2018