

Brexit and Irish Agri-Food Trade



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Context

- Ireland's agri-food exporting success

- Shaped by:

- ✓ Globalisation

- ✓ Frictionless EU trade environment



- Threats:

- Increasing protectionism

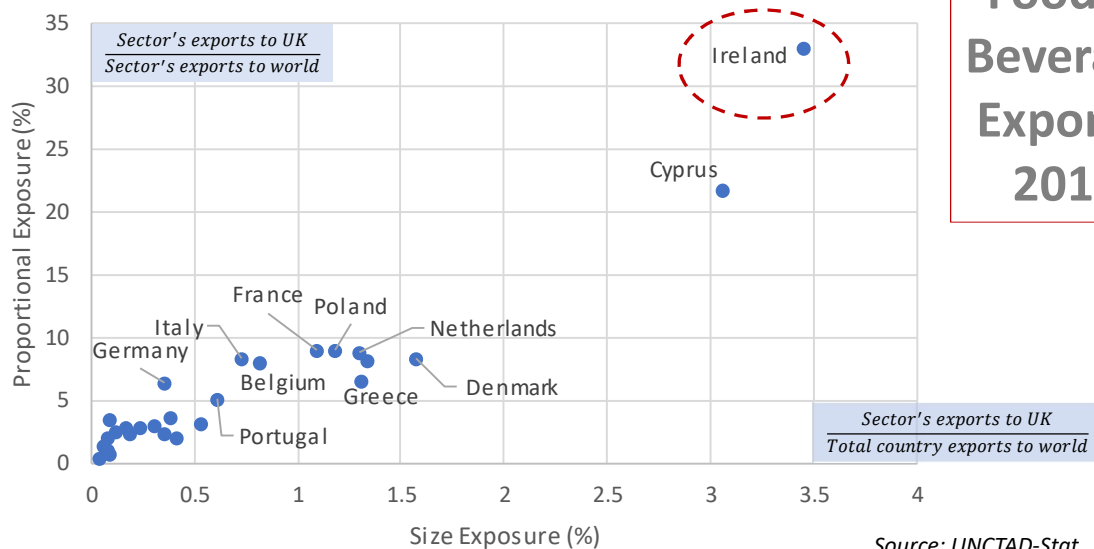
- Brexit



Challenges

- Exposure to UK
- Tariffs?
- Non-Tariff barriers
- Sterling exchange rate
- Longer-term UK policy

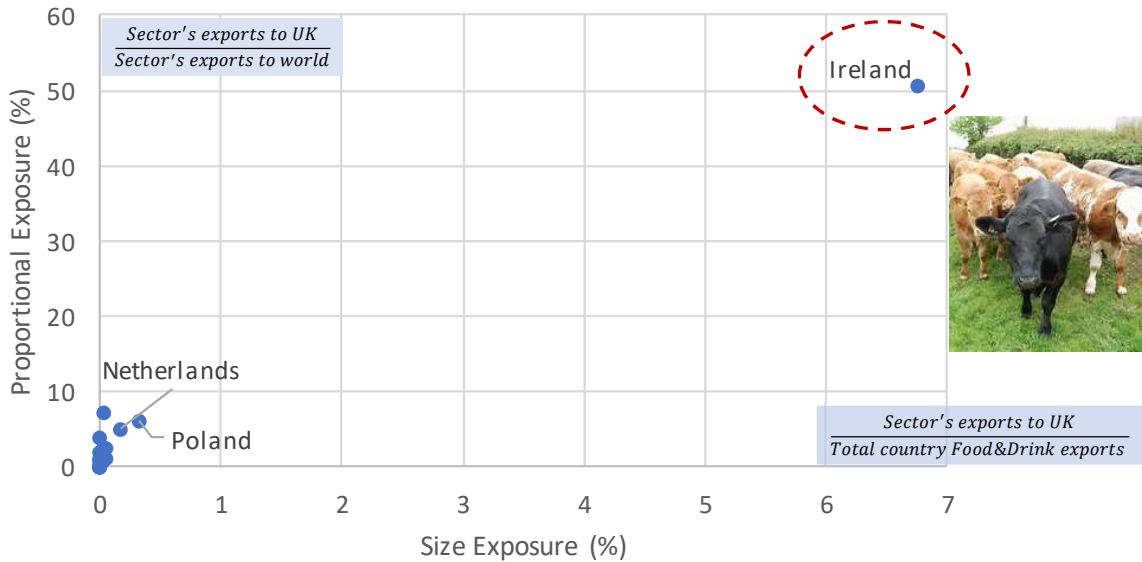
Key Challenges: Exposure to UK



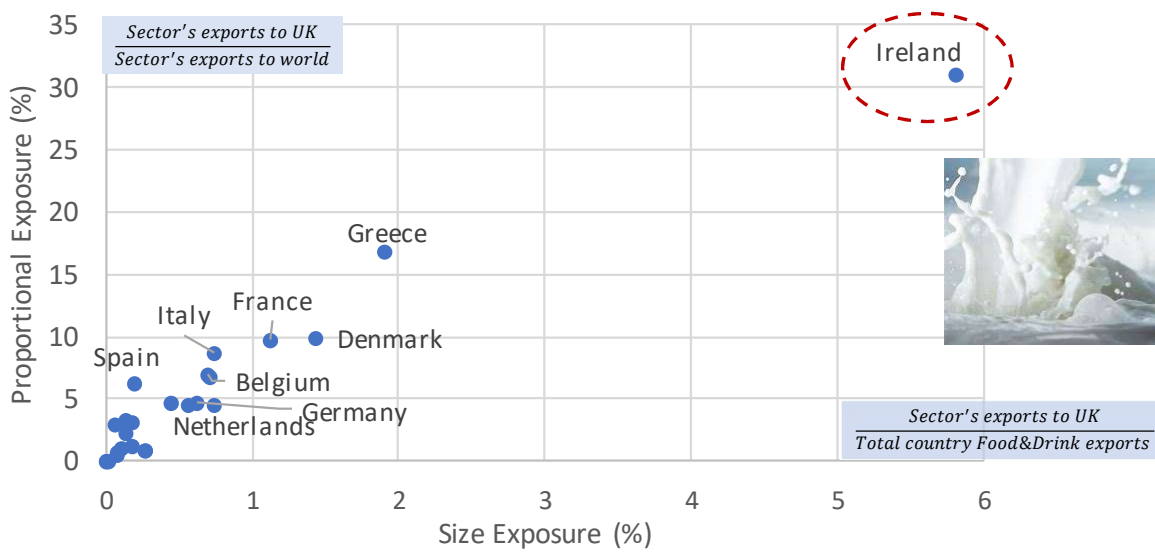
**Food &
Beverage
Exports,
2017**

Source: UNCTAD-Stat
Adapted from Smith et al. (2018)

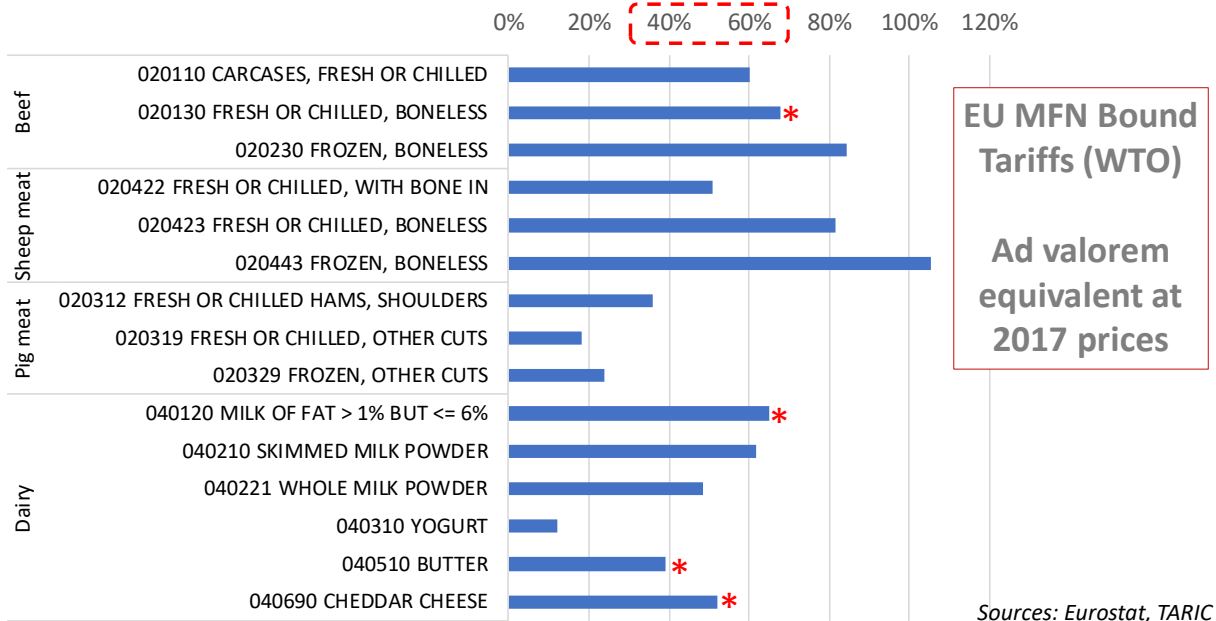
Beef Exports: Exposure to UK Market (2017)



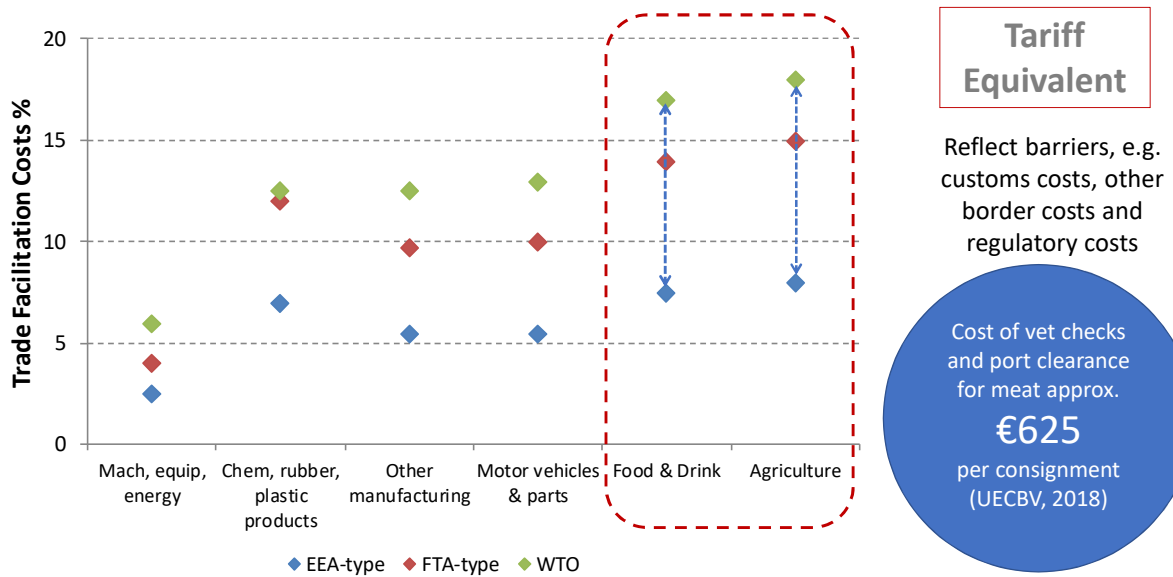
Dairy Exports: Exposure to UK Market (2017)



Key Challenges: No Deal => Tariffs?



Key Challenges: Non-Tariff Barriers (NTBs) => Costs



Source: House of Commons Exiting the EU Committee (2018)

Key Challenges: Other Factors

- Managing **Sterling** risk



- Sustaining integrated IRL-UK **supply chains?**
 - Dis-integration? => impacts on efficiency, duplication/investment
- Evolution of **UK's trade and regulatory policy** in longer-term...
 - Competition
 - Trust? – will any agreement on alignment be maintained by UK?

What response?

- Brexit unequivocally negative - but **disruption** may create **opportunities** for some?
- **Defending** 'preferred' supplier position in UK
 - Consumer trust, quality/provenance, long-established relationships, geographic proximity
- Market **diversification**: market demand drivers globally
 - Key growth opportunities in non-EU markets (esp. Asia)
- Proactive, cohesive national strategy: **influence & preparedness**
 - Safeguarding? e.g. EU assurance on 'exceptional measures' in event of chaotic Brexit?