

ENGINEERS' PRIORITIES FOR BREXIT NEGOTIATIONS

March 2018

Responding to Engineers Ireland member surveys in October 2016 and February 2017, nearly one third of engineers in Ireland and the UK said their business had already been impacted by Brexit with commercial deals paused or altered unfavourably. However, most engineers are optimistic that the major impact of Brexit will not be felt for several years. Fewer than one in ten has plans to let staff, contractors or suppliers go.

Adapting businesses strategies

Engineers have expressed a sense of determination and resolve in the face of these challenges and 40% said they were proactively changing their business strategy to adapt to the new economic reality of Brexit.

One in ten engineering firms in Great Britain and Northern Ireland is actively considering relocating operations to the Republic, highlighting the shifting focus of the engineering sector. Others in the Republic are considering a move north of the border to maintain access to the UK market.

Regarding markets further afield, over 70% of engineers say that the company they work for is looking at Continental Europe, followed by the Middle East (44%), Asia Pacific or North America (both 39%).

Engineers Ireland's voice in the Brexit debate

As the voice of the engineering profession in Ireland, north and south, Engineers Ireland has an important contribution to make to the Brexit debate. For example, engineering expertise in infrastructure planning and delivery will be central to maintaining social and economic collaboration post-Brexit. Engineers Ireland will continue to participate in Brexit sectoral dialogues and release press statements and work with our national and international partners on this issue.

Overwhelmingly, 84% of engineers are opposed to a hard Brexit, with many citing border controls and trade restrictions between the Republic of Ireland and the UK as extremely negative for the engineering sector and the wider population. Engineers Ireland is strongly supportive of an all-island approach to connectivity and growth and would like to see significantly improved

connectivity on corridors such as Galway-Sligo-Letterkenny-Derry, Dublin-Dundalk-Belfast and Dublin-Derry/Letterkenny. Such connectivity would enhance the attractiveness of all of these centres, providing focal points for growth throughout and between the regions.

73% of engineers believe that cross-border infrastructure projects, which are vital to the island economy, are currently in danger because of Brexit (Fig.1). It is critical that priority infrastructural projects, such as the A5 Derry to Aughnacloy road upgrade and the North-South Interconnector, are not interrupted due to Brexit (see overleaf for more information).

Engineers are also concerned that the EU Directive on Professional Qualifications may no longer apply in the UK. It is important that engineers' ability to work as an engineer across jurisdictions is not impacted negatively by Brexit. 81% engineers agreed with Engineers Ireland's approach of putting in place stronger bi-lateral links with our peer organisations in the UK to support professional mobility (Fig.2).

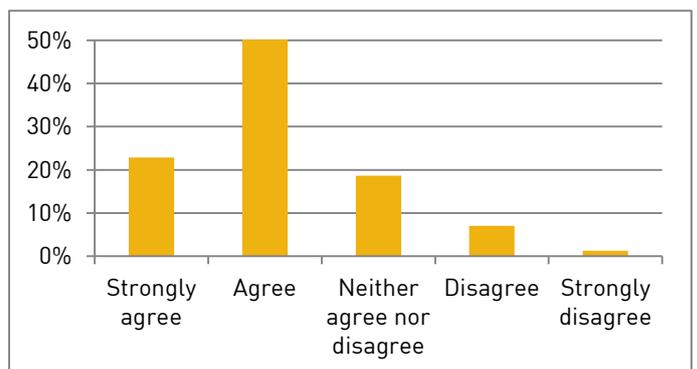


Figure 1. Cross-border infrastructure projects are now in danger

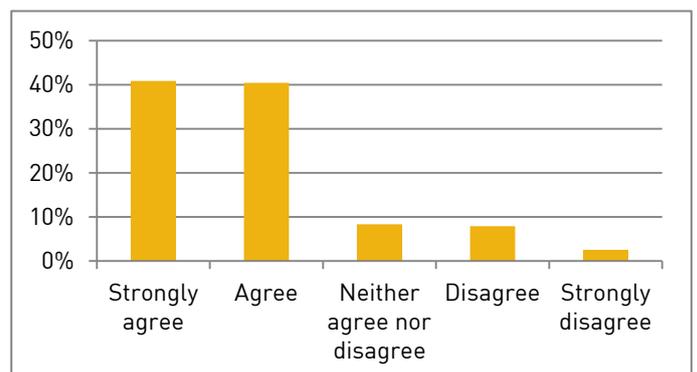


Figure 2. Engineers Ireland should build stronger links with UK peer organisations to support professional mobility

Engineers Ireland Policy

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Further reading

European Commission (2017)

Guiding principles transmitted to EU27 for the Dialogue on Ireland/Northern Ireland

Government of Ireland (2017)

Ireland and the negotiations on the UK's withdrawal from the European Union: The Government's Approach

UK Government (2017) Northern Ireland and Ireland Position Paper

European Commission (2017)

Recommendation for a Council Decision authorising the Commission to open negotiations on an agreement with the United Kingdom of Great Britain and Northern Ireland setting out the arrangements for its withdrawal from the European Union.

Contact

Dr Richard Manton

Policy Officer

Engineers Ireland

22 Clyde Road,

Ballsbridge, Dublin 4.

+353 1 6651300

rmanton@engineersireland.ie

Engineers Ireland

With over 25,000 members, Engineers Ireland is the voice of the engineering profession in Ireland. Engineers Ireland was established in 1835 making us one of the oldest and largest professional bodies in the country.

Members come from every discipline of engineering, and range from engineering students to fellows of the profession. For more information, see www.engineersireland.ie.

Engineers Ireland's Brexit priorities

- Maintain the Common Travel Area and invest in cross-border connectivity. Mitigate the effects of a 'hard border' on Irish society and the economy.
- Guarantee the functionality of the all-island Single Electricity Market and progress the North-South Interconnector to ensure security of energy supply and reduce cost.
- Promote mobility and collaboration North-South and East-West, including on the infrastructure and technology projects necessary to mitigate the effects of Brexit.
- Maintain the recognition of professional qualifications and links between professional bodies internationally.

Common Travel Area and cross-border connectivity

The European Commission recognises the "very specific and interwoven political, economic, security, societal and agricultural context and frameworks on the island of Ireland" as a guiding principle for Brexit negotiations. For example, the Good Friday Agreement sets out twelve specific areas for cooperation and implementation: agriculture; education; transport; environment; waterways; social security/social welfare; tourism; relevant EU programmes; inland fisheries; aquaculture and marine matters; health; and urban and rural development.

Maintaining the Common Travel Area and mitigating the effects of a 'hard border' are vital for continued North-South cooperation and implementation across these and other areas. Increased investment in cross-border land transport would help to maintain connectivity and to encourage population and employment growth. This approach could generate a critical mass of employment and housing to attract further industry and services as well as supporting an enhanced range of local services and attractions. Two priority transport projects are the A5 Aughnacloy to Derry road and high speed, high frequency rail between Dublin and Belfast. Mobility and collaboration, particularly in education and research and development, should be facilitated and encouraged.

All-island Single Electricity Market and interconnectors

There are concerns regarding the impact of Brexit on Ireland's energy sector, including the all-island Single Electricity Market (SEM). The Republic of Ireland's energy future is inextricably linked with Northern Ireland as part of the SEM, which maximises market efficiencies and has helped to reduce electricity prices, integrate renewables and secure electricity supply. The North-South Interconnector will improve transmission across the SEM and further bolster energy security and reduce cost to the consumer.

Although the majority of Irish gas demand is now supplied from the Corrib gas field, Ireland still imports up to 40% gas demand from Britain and does not have gas interconnection with other markets. It is important that Brexit negotiations seek to guarantee the functionality of the SEM and the unimpeded trading of energy across gas and electricity interconnectors with Britain. Work on the North-South Interconnector should continue and future capital investment should consider additional interconnection options and energy trading facilities. Further development of indigenous renewable energy sources would greatly improve our energy security and sustainability.