

# The United Kingdom & The Republic of Ireland

## Beyond the Backstop

Chris Walklett

20-21 February 2019



# Overview

- Backstop 2019 – A Brexit Odyssey
- No deal practicalities
- The United Kingdom – alive and kicking
- The M&A Solution
- The Banking Solution
- A Call to Action

# Backstop 2019 – A Brexit Odyssey















# Brexit – current status

- November 2018 Withdrawal Agreement and Political Declaration agreed by EU
- January 2019 – meaningful vote lost in UK House of Commons
- February 2019 – UK government seeks renegotiation
- Late February – second meaningful vote
- 29 March 2019 – UK leaves EU unless Article 50 revoked or extended

# Brexit - the backstop

- Objective – no physical border in Ireland
- Customs union/single market achieves this
- Current Withdrawal Agreement keeps Northern Ireland inside both unless/until “alternative arrangements” are found
- Potentially indefinite – political problem



# No Deal - Practicalities

# No Deal Brexit – Duty Planning

- Goods subject to duty when imported into Ireland
- Possible further duty charge when moved into UK
- Double charge avoided by direct import into UK
- UK presence needed to reclaim UK import VAT



# No Deal Brexit - Tariffs

- Goods arriving in Ireland from UK – EU external tariff
- Goods arriving in UK from Ireland
  - UK external tariff not yet agreed
  - Political decision re levels of duty charged by UK
  - Duty rates will apply to whole EU

# The United Kingdom

## Alive & Kicking



# £1.8 Trillion

£238  
Billion  
**MIDLANDS ENGINE**



**£338 Billion**  
**BISHOP FLEMING**

# 38

# LOCAL ENTERPRISE PARTNERSHIPS

**€6.5bn  
ERDF**

**£1.5bn  
Growing  
Places Fund**

**£7.3bn  
Growth  
Deal  
Funding**



# GROWTH HUBS

# The M&A Solution

**27%**  
**FOREIGN**  
**OWNED**

**Top 5**  
**USA &**  
**Ireland**

**BREXODUS**  
**DUBLIN**

**1200**  
**€37bn**

**40%**  
**Bank of**  
**Ireland**



**Version 1**

**Acquisitions for  
Scale**

**Trilogy  
Technologies**

**Anderco**

**Enterprise  
Ireland &  
Bishop  
Fleming**

*“It’s a big market and you’d want to have  
a very, very good reason to step over it*

Justin Keatinge, CEO – Version 1

# The Banking Solution



DON'T BE

OVERDAFT

**Avalisation**

**Asset  
Finance**

**LOCs**

**Trade  
Loans**

**UK Export  
Finance**

**Bills of  
Exchange**

**Import  
Collections**

# A Call to Action



“We’ve lost humility in an age of entitlement -  
and that’s making us angrier”

Stephen Stosny, Ph.D.

*Psychology Today*

# Bishop Fleming Can Help...

- Sign posting support including LEPs
- Buy mandates to find UK acquisitions
- Sale mandates to find UK acquirers
- Funding & Investment
- Tax planning
- VAT & Duty advice
- Structuring for Brexit and beyond



© Bishop Fleming 2019. All rights reserved.

The contents of this presentation does not constitute professional advice and no action should be taken without seeking professional advice. Therefore no responsibility for loss occasioned by any person acting or refraining from action as a result of the material can be accepted by the authors or the firm. Bishop Fleming is a trading name of Bishop Fleming LLP, a limited liability partnership registered in England and Wales No. OC391282. Registered office: Stratus House, Emperor Way, Exeter Business Park, Exeter, Devon EX1 3QS. A list of members' names is available at the above address.