

WHY IRISH EYES ARE SMILING

Despite the uncertainties of Brexit, the trade in construction sector goods and services across the Irish Sea remains buoyant. GeoConnexion spoke to John Hunt, Senior Market Advisor at Enterprise Ireland, to find out more

JH: True, there has been something of a slowdown since the vote but, in direct response, we created a dedicated unit in late 2016 to develop plans to deal with the challenges and opportunities of Brexit. The UK remains our biggest market and we continue to work with our clients to maintain and expand their business with our nearest neighbour.

For example, we hosted a Round Table discussion on the Construction Industry at the Irish Embassy in London in October of last year. The objectives were to share industry experience and also explore what more can be done to support companies from Ireland transitioning to a digital economy in construction in the context of Brexit. Those participating included Pat Breen T.D., Minister for Trade, Employment and Business, together with representatives from HM Government's BIM Working Group, Network Rail, the Construction IT Alliance, STW Architects, Shay Murtagh Pre Cast, i3PT and Murphy Surveys,

In addition, our #PrepareforBrexit campaign includes funding to help exporting clients develop business action plans; a series of nationwide Brexit clinics is helping them adapt their business strategies, and we

Irish construction firms have historically played a key role in transforming Britain's landscape and their role is no less today. Indeed, that trade has increased by 68% in the last five years spearheaded by Enterprise Ireland, a government body established in 1998 to promote Irish exports and foster cross-border collaboration.¹

GeoConnexion (Geo): Can you paint a picture of what Enterprise Ireland does and how it goes about its business?

John Hunt (JH): Whereas our sister government agency, the IDA, concentrates on promoting inward investment into the Republic, Enterprise Ireland helps build partnerships between Irish SMEs and overseas clients. To further this collaboration, we invest in businesses that provide employment for 200,000 people and promote their goods and services through a network of offices in 30 different countries. In the last year

alone, we brokered some 7,500 introductions between our clients and international buyers and rolled out a programme of 196 trade and knowledge building overseas visits. It's also important to mention that we work closely with partners on both sides of the Irish border as part of the peace process.

Where many of our clients are high potential start-ups, the construction sector is somewhat different in that we support around 250 digitally-enabled companies that are purely focussed on the UK and many of which will already have a UK presence. Our support here is very much geared to promoting their expertise at events such as last September's Digital Construction Week at the ExCel Centre in London.

Geo: The UK remains by far the largest market for Irish exports, accounting for more than a third, but there has been a decline since the UK's vote on Brexit. How has Enterprise Ireland responded to this?



Pat Breen T.D. Minister for Trade, Employment, Business, EU Digital Single Market and Data Protection (pictured second from right) at an Irish Embassy reception to promote Irish capability in digital construction at last September's Digital Construction Week event. He also gave an opening address at the event where he was joined by David Philp, Head of the UK Government's BIM Working Group

have allocated 39 additional staff to provide information and support to help clients address their exposure to Brexit. As Marina Donohoe, our director for UK & Northern Europe said in an article in the Sunday Independent. 'Like nature, business abhors a vacuum, so whatever the final outcome of the British people's vote to leave the EU, it will continue to offer prospects for Irish business.'

Geo: Would it be fair to say that the British government's Building Information Modelling (BIM) mandate for public sector projects has had something to do with the upsurge in demand over the past few years?

JH: The UK decision was in many ways a wakeup call for the global construction industry. And while Ireland has no national standards or mandate for BIM, a recent survey³ revealed that 85% of Irish AEC companies now believe that Ireland should follow the UK's footsteps. In any event, many have already followed the UK lead and put steps in place to comply with British Publicly Available Specifications (PAS). We are supporting them with two initiatives: the first sets out a strategic roadmap as to how they can achieve compliance; the other is BIM-Implement, a subsidised training programme for companies that have the skill-set and trained personnel to tender for BIM Level 2-specified contracts in global and domestic markets.

Geo: The British Government's £600 billion National Infrastructure Delivery Plan (NDIP)² would appear to offer significant opportunities for Irish construction-related businesses. Is Enterprise Ireland supporting their bids for a share of the 4,500 public and private sector infrastructure projects and programmes

planned across the UK to 2021 and beyond?

JH: Indeed we are, having identified the NDIP as one of seven key opportunities in the UK and where improvements in freight capacity, and road and rail infrastructure are proposed. For example, the HS2 high-speed train network will cost £55.7 billion. Many Irish companies are already operating in these sectors and we will be supporting them to

realise the potential for further business.

Geo: Do they have the capacity in terms of skills and manpower to take advantage of these new opportunities?

JH: It's true that the demand for skills in the construction sector is cyclical and relies on the flexible movement of labour, but the past decade has seen an upsurge in apprenticeships in Ireland, with trade shortages at historically low levels. This has, in part, been helped by a variety of 'lean' Enterprise Ireland programmes aimed at enhancing capacity and raising productivity levels. So in this sense, it helped the construction industry achieve last year's growth rate of 18%⁴ and positions it well to maintain that growth, not least in export markets.

1. <https://www.enterprise-ireland.com/en/>
2. <https://www.gov.uk/government/publications/national-infrastructure-delivery-plan-2016-to-2021>
3. <https://irishadvantage.com/wp-content/uploads/2017/11/3rd-national-survey-to-benchmark-.pdf>
4. <http://www.aecom.com/ie/press-releases/irelands-construction-industry-grew-18-2017-continued-growth-expected-2018/>



The UK's NDIP: a key export target for Irish construction-related goods and services