

Firstly, I would like to begin by thanking the Committee for inviting me to present today on behalf of the British Irish Chamber of Commerce on this important issue.

To give you a brief insight into the work of the Chamber, we are the only organisation representing business activities with interests across the two islands of Britain and Ireland. We exist to champion, protect and grow the trade between the UK and Ireland - that trade exceeds €60 billion a year and sustains over 400,000 jobs throughout the economies, and the communities, of Britain and Ireland.

Working on behalf of our member firms, large and small, North, South, East and West, the Chamber maintains the closest links to our governments and policymakers and we continually use those links to ensure that the views of our members on themes such as Higher Education are fully heard and factored into government action.

With a broad engagement across all major sectors of the economy, the Chamber is committed to a proactive and constructive approach in proposing solutions to the challenges we now face and taking advantage of emerging opportunities. We are having these conversations not least among our connections in the Higher Education and Research sector where issues range from student mobility and the capacity of the sector, to research collaboration and access to research funding as well, of course, as the long-term sustainable funding model of the Higher Education system itself.

The purpose of my remarks today will be threefold:

1. Setting the context in relation to the UK's relationship with the EU in terms of Higher Education and Research and more directly the

relationship that the Irish Higher Education and Research sector currently enjoys with the UK and the challenges Brexit poses.

2. Outlining opportunities for the Irish Higher Education and Research System as a consequence of Brexit.
3. How best the sector can position itself post-Brexit.

### **Setting the context:**

#### *The UK & the EU*

The United Kingdom has made an important and long standing contribution to the Higher Education and Research Sector of the European Union, while it has also benefited greatly from it. There are currently 125,000 EU students in the UK, of which approximately 10% are from Ireland. Currently 17% of all UK academic staff are from the EU, while at the most prestigious UK universities this figure exceeds 20%. Half of the ERC's mid career grants in the UK are held by EU researchers and over 60% of the UK's internationally co-authored papers are with EU partners.

In relation to research, the UK has benefitted significantly from EU funding, collaboration and supports. In the Framework Programme 7 (2007-2013) the UK contributed nearly €5.4 billion to EU research projects but received nearly €8.8 billion back in the same period. The UK is currently involved in more Horizon 2020 projects than those in any other country in Europe. Last year UK universities received about a £1bn in research grants and contracts from EU sources. The most immediate impact of Brexit for the sector has been the anecdotal evidence that UK researchers are being dropped as partners from collaborative proposals.

To address the concerns of the UK's research community the UK treasury has given a guarantee that research projects currently funded by the EU will be underwritten by the UK government after Brexit.

Universities UK have outlined their concerns posed by the UK's exit from the EU as follows:

- Increased barriers to recruiting talented European staff;
- Damage to international research collaboration;
- Increased barriers to recruiting European students;
- Loss of funding for research and innovation; and
- Reduced outward mobility opportunities for staff and students.

### *The UK & Ireland*

Given our proximity, history and language the UK and Ireland enjoy close ties and strong collaborative links. Students, academics, HEI's will all be greatly impacted by the UK's exit from the EU.

### Students:

There are currently 12,000 Irish students in the UK, representing approximately 10% of EU students studying in the UK. Under the current EU residential rules, all EU students must be charged the same as students from the host country and to be afforded the same support structure, as long as they fulfil the criteria. Should a "hard Brexit" materialise and no arrangement between the UK and Ireland is put in place then Irish students would be faced with three options:

- i. Pay the full international student fees on average between £20,000 and £30,000 per annum,

- ii. Study at home by applying through the CAO or
- iii. Apply to a different country. Should the majority of Irish students choose to apply through the CAO this would result in increased pressure on the Irish undergraduate system.

British students hoping to study in Ireland would be liable for non-EU fees this ranges between €10,000 and €30,000 depending on institution and course, this will also affect 800 Northern Irish students who are currently studying in Ireland.

### Collaboration between the UK and Ireland

Collaborations between academics from different countries are immensely important as it tends to lead to research with greater impact. According to the Royal Society UK between 2005 and 2014 there were 16,655 co-authored papers between academics from the UK and Ireland. As outlined previously the biggest concern for the UK academic community is whether British academics will still be able to collaborate across EU borders with their European peers. Naturally this would also be a significant concern for the Irish research community.

UK and Irish research institutions also collaborate extensively especially under EU research programmes. There are currently in excess of 900 collaborative links between Irish and UK researchers under Horizon 2020. Since the commencement of Horizon 2020, 12.6% of all successfully-funded Irish research projects have included at least one UK-based partner, in the past 12 months that number has increased to about 40%. If the UK is unable to negotiate an associate membership of Horizon 2020 and other research programmes Irish researchers will have to seek new partnerships within

Europe. Given the close working relationship between UK and Irish researchers this could prove costly for Irish research applications.

### Collaboration between Ireland and Northern Ireland

Given the fact that Ireland shares a border with Northern Ireland both jurisdictions have established successful collaborative partnerships. In Framework 7 €89.2m was raised by North-South research collaborations a success rate 24% was just above the EU average. The current target for North-South collaboration under InterTradeIreland's Strategic Action Plan for Horizon 2020 is €175m. This target may be under jeopardy as a consequence of the referendum result.

### Opportunities for Ireland

When assessing the challenges and opportunities facing the Irish Higher Education and Research sector in light of Brexit I am reminded of the Latin proverb "you too are in danger when your neighbour's house is on fire". It is important that if the Irish Higher Education and Research sector is to prosper in the years ahead, it should not turn its back on the UK. We should not forget that the UK is and will remain a world leader in education and innovation. Therefore, we believe now is the time to develop a UK / Ireland Powerhouse Strategy. By working together, we can mitigate against the potential risks that Brexit poses to both our economies and societies. Ireland is currently the next best option for many international academics and students and can offer an access to EU research funding. By forming strategic partnerships we can ensure that research collaborations between our islands continue beyond this phase. Specifically, we believe that:

- Irish Higher Education Institutes should work with their UK counterparts to appoint joint-professorships to leading international researchers co-locating between the UK and Ireland with assurance of access to EU research funding.
- Support should be given to develop a co-funded Ireland UK PhD programme between Irish HEI's and leading UK HEI's.
- Extra funding should be allocated to the SFI and IRC to support bilateral research collaboration with the UK and Northern Ireland.

### **How best the sector can position itself post-Brexit**

If Ireland is to position itself as location of choice for students, academics and researchers, it has to be serious about creating the environment for them to thrive. Since the recession in 2008, State funding for Higher Education has been reduced by 30% while student numbers have increased by a quarter. It has been 9 months since the publication of the Cassells report which I know this Committee has the responsibility of reviewing. I urge all stakeholders to work together to implement a sustainable funding model. This really isn't the time to play party politics with a vital national resource and so I urge all sides to grab this opportunity so we can emerge strengthened by opportunity rather than diminished by loss. Although not in the purview of this committee, we would like to place on record our desire to see the funding ambitions outlined in 'Innovation 2020' be realised.

In closing, to get the best from Brexit, Ireland must look to our visionaries of the past, such as the late TK Whitaker for inspiration. Just fifty years ago, Ireland faced huge decisions from a much weaker base. Not long independent, impoverished by a trade war with our neighbour and exporting our young alongside our animals, we had missed out on the industrial revolution and we

had no natural resources other than our food, our brains and our workrate. But the choices made by our predecessors then shaped what we are now - a vibrant, resilient people, an economy, and a community that has paid its dues and which now features the best growth rate in the EU.

We should think carefully now about what we would want our successors to say in 50 years time about the choices we get to make now. Brexit is a catalyst for a national strategic plan to guide our success and collective wellbeing for some generations to come. In that strategic plan Higher Education and Research must be front and centre.

The challenges we face are significant but not insurmountable, I assure you all that the Chamber is willing and ready to play its part, and in the coming weeks we will be forming our Education Committee and look forward to working with all stakeholders on this important issue. I thank the Committee again for inviting me to present and look forward to your questions.

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