

Minister O' Donovan – Speaking Points on Brexit for JOC

- Glad to be able to address the Committee today on the impacts of Brexit on Tourism and Sport.

TOURISM

- The feedback from tourism industry participants at the sectoral dialogue in January reaffirmed the Government's analysis in relation to the implications of Brexit.
- Committed to an on-going dialogue with the tourism and hospitality industry as the Brexit negotiations proceed.
- The Tourism Leadership Group will meet again in the coming weeks (6th July). Brexit will feature prominently in the discussions.
- For Tourism, the priority issues for the Government are preserving the Common Travel Area, avoiding a hard border on the island, minimising the impact of Brexit on the tourism industry and maintaining a liberalised aviation regime to protect and promote access.
- The decline in visitor numbers from Britain reflects feedback we've been getting from our Irish industry partners – some softening in bookings from Britain.
- Following what was a record year for overseas visitors to Ireland in 2016, recent figures published by the CSO showed that overseas visitors for February to April 2017 were slightly up on 2016. Whilst there was strong growth from the North American market, up by 25.7%, visitors from Britain were down 10.7% year on year.

- The Sterling depreciation following the Brexit referendum has made Ireland, and every other Eurozone country, more expensive for British travellers than was the case previously. Furthermore, research has indicated that British consumers are likely to scale back on overseas holiday activity this year.
- The Tourism Action Plan is committed to seeking to restore the Tourism Marketing Fund to pre-recession levels on a phased basis. Budget 2017 increased funding for the Tourism Marketing Fund and I will be seeking further additional funding for next year in order to mitigate any negative effects of Brexit on tourism.
- Maintaining the overall competitiveness in our tourism industry is also vital at this time. While the industry itself acknowledges its primary responsibility in this regard, I will be endeavouring to assist by seeking to maintain the lower VAT rate for the tourism industry and also to keep the air travel tax at zero.
- Tourism Ireland will continue to focus on protecting our market share in Britain, whilst at the same time seeking to increase diversification into other markets, particularly those that deliver higher tourism revenue.
- Fáilte Ireland is working on a number of fronts to assist the diversification and development of our tourism industry and the attractiveness of our tourism product offering.
- Ongoing work to develop the main experience brands and enhance visitor experiences is aimed at boosting our appeal to key target markets and priority consumer segments.
- Fáilte Ireland offers a suite of supports to enhance the competitiveness, enterprise capability and sustainability of the tourism sector.
- FI is creating a new Brexit Response Programme that will focus on delivering a Capability Building Programme for Industry.

- The response to Brexit must be across the tourism sector, not just from Central Government and the agencies. Role for Local Authorities.
- Important to note overall picture – good performance in visitors from other markets, particularly North America.
- Still strong sentiment in the industry (per FI Tourism Barometer published 25th May), notwithstanding fall-off from GB/NI.
- We have to be cautious about the road ahead for the tourism industry given the risks arising from Brexit. Challenging negotiations will be monitored closely by the Department and tourism agencies.

SPORT

- Concerning SPORT, the impact of Brexit is still subject to considerable uncertainty.
- Anything that would impair or impede the free movement of sports people, or their sports equipment or indeed their animals in the case of equestrian events for example has a potential to present logistical difficulties that don't currently exist.
- Importance of cross border cooperation with Northern Ireland in the area of sport.
- 45 of our National Governing Bodies of Sport operate on an all-island basis, which is about 70% of the total.
- My officials meet on a regular basis with their counterparts in Northern Ireland. There is an extensive and effective dialogue on topics of mutual interest relating to sport. This engagement will continue.
- By means of these contacts with the Department for Communities in Northern Ireland and with the Department for Culture, Media and Sport

in London, we have effective mechanisms already in place to monitor the impact of Brexit on the sporting landscape in Ireland.