

Brexit means.....?

**Opportunities and
challenges for the rural
economy**

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Presentation Content

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- Brexit– 11 weeks on
- Opportunities and challenges:
 - fisheries and farming
 - tourism
- implications for North East Lincolnshire
- Questions



Brexit – 11 weeks on.....

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- the world hasn't ended...yet
- FTSE 100/250 initially fell 8%, subsequently recovered to pre-referendum levels
- big falls in some construction sector share prices
- value of £ has fallen against Dollar (15%) and Euro (12%)
- CPI increased by 0.6% in July (fuel price increases)
- Bank of England reduced base interest rate
- PMI for services/manufacturing increased in August, following major pre-Brexit falls
- fears of short-term recession subsiding?

Opportunities and challenges: Farming and fisheries

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- CAP subsidies 50-60% of farm income
- Government guarantee until 2020...beyond which subsidies may be more 'outcome focused'/targeted
- new trade opportunities...but tariff regime critical and could impact on markets
- unbundling EU Regulations vs. Single Market access
- UK could regain full control of fisheries Exclusive Economic Zone...
- but may not result in increased fish quotas or exclusion of foreign vessels
- strengthen trading relationships with non-EU countries (e.g. Iceland)

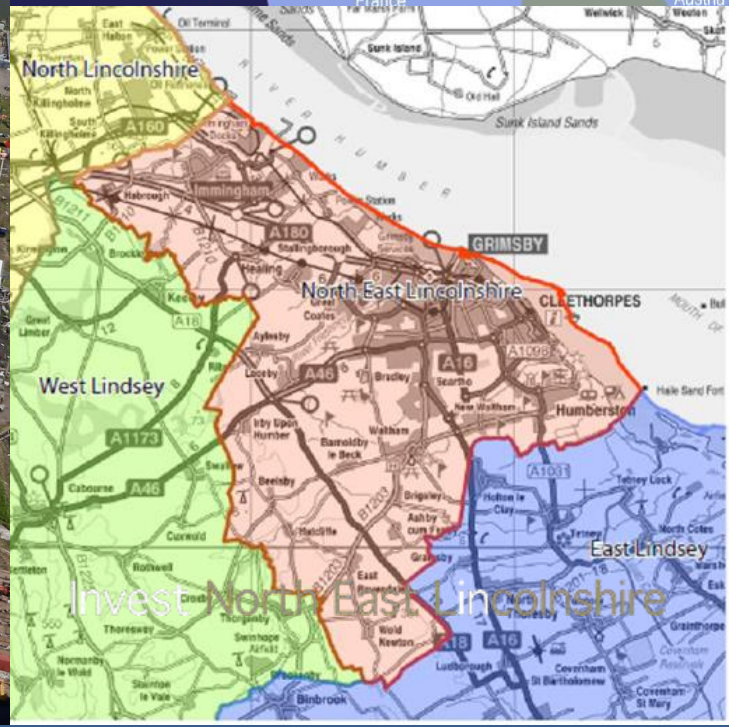
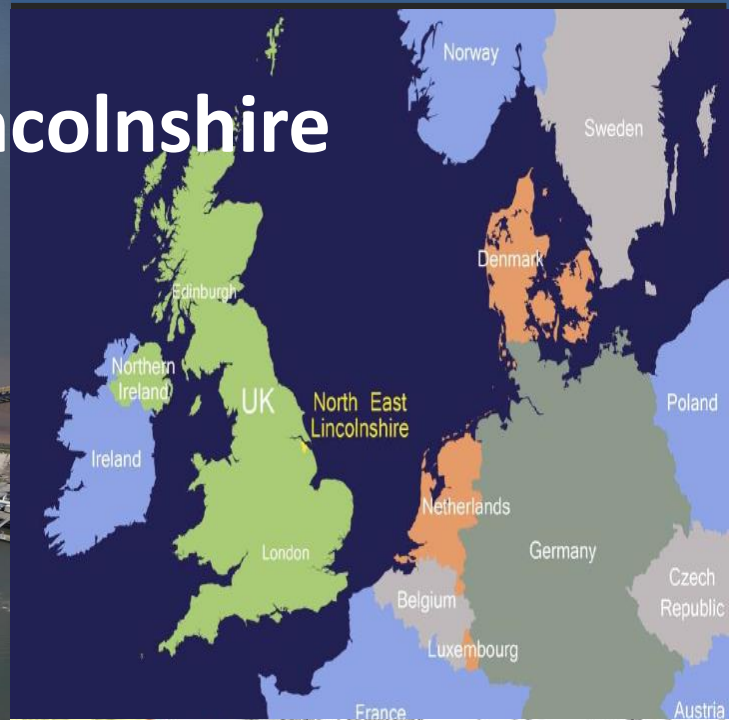
Opportunities and challenges: Tourism

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- short-term bounce from devaluation of £ and 'staycations'
- currency fluctuations damaging some tour operators
- long-term uncertainties re border controls & free movement
- impact of future changes to residency status of EU/non-EU workers
- WTTC forecast decline in UK tourism's contribution to GDP to 2020



Implications for North East Lincolnshire



North East Lincolnshire

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- 160,000 residents and 5,000 businesses
- heart of the Humber 'Energy Estuary' and £60bn offshore wind sector
- largest UK port by tonnage (Immingham)
- process 70% of UK seafood
- 9.3m visitors p.a. generating £520m output
- Grimsby/Cleethorpes supported by distinctive hinterland of Lincolnshire Wolds



Economic Vision – NEL 2032

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“North East Lincolnshire – where businesses invest and grow;

our entrepreneurs flourish;

our workforce is skilled, productive and has fulfilling, well-paid jobs;

our infrastructure is world class; and

our young people’s aspirations hold no bounds.”



Implications for North East Lincolnshire

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- **uncertainty re residency status of EU workers major issue for agriculture/food processing with potential for significant impact**
- **Port of Immingham – significant trading relationships with Rotterdam and other EU ports**
- **seafood processing – existing supply relationships with non-EU countries (Iceland, Norway)**
- **major offshore wind investors (DONG Energy/Siemens/RWE) have re-affirmed commitment to Humber**

