House of Commons

Northern Ireland Affairs Committee

Oral evidence: Economic growth in Northern Ireland: new and emerging sectors, HC 1193

Wednesday 4 February 2026

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Watch the meeting

Members present: Tonia Antoniazzi (Chair); Chris Bloore; Claire Hanna; Simon Hoare; Adam Jogee; Katrina Murray; Gavin Robinson; Robin Swann.

Questions 66 - 123

Witnesses

I: Baroness Foster of Aghadrumsee DBE, Chair, Intertrade UK.

II: Colin McCabrey Director of Trade, InterTradeIreland.

Examination of witnesses

Witnesses: Baroness Foster.

Q66 **Chair:** Good morning and welcome to the Northern Ireland Affairs Committee. This is our third session on economic growth, and I would like to welcome the right hon. Baroness Foster of Aghadrumsee, chair of Intertrade UK. Thank you, Arlene, for joining us today. Can you set out the role of Intertrade UK and how you work?

Baroness Foster: Thank you for the invitation to come along this morning. The board of Intertrade UK was appointed by the Secretary of State, and it is really there to advise and to promote internal trade within the United Kingdom. When I say "advise", I mean advise the Secretary of State about internal barriers that we come across and how we think they can be dealt with to promote trade internally within the UK and, if there are problems, how we can fix them and encourage people to trade across the United Kingdom.

The third element of what we do at Intertrade UK is to look at infrastructure. Are there better ways to connect the different parts of the UK? In that role, we have had, for example, a presentation from Belfast City airport about their masterplan for, I think, 2040. We are engaging with Belfast port and Larne port to see what better connectivity there is for Northern Ireland and the rest of the UK. There are three elements, really: advice, promotion and looking at infrastructure.

Q67 **Chair:** So what advice have you given? You have obviously had that interaction with Belfast City airport, Belfast port and Larne port. Has Intertrade UK presented this advice and research to the Government? What have you presented to them?

Baroness Foster: Thus far, we have sent the Secretary of State a general letter in, I think, September—bear with me; I have it here with me somewhere—about the barriers to trade that were identified by, among others, the Federation of Small Businesses. You will recall the report that they carried out and the recommendations that they made. We sent a comprehensive letter to him off the back of that.

We of course engaged with Lord Murphy when he carried out his review. We have written to the Secretary of State about specific issues, including veterinary medicines and the difficulties that have arisen around vehicles coming across from GB into Northern Ireland to be sold.

There is a letter in progress at the moment about issues raised by the Road Haulage Association and the supply chain difficulties they have identified, particularly for manufacturers. For example, if a good is sent over from GB into Northern Ireland to be part of a manufacturing process, all the component parts have to be listed for customs, but that good may well go back into GB, so the question is: why have we all this paperwork and bureaucracy associated with a good that stays internally within the UK, given that the point of risk is when the good is sold? Do we move the point of risk from the component parts to the finished product? Surely that is something we should be looking at. That is the sort of thing that we are looking at at the moment.

Q68 **Chair:** Has the Government requested that you do any specific work? Has it requested that Intertrade UK take up anything?

Baroness Foster: No, they have not made any suggestions to us about specific work. Of course, we would be very open to that if they did. Indeed, if this Committee or the Lords Committee suggested a piece of work, we would certainly look at that.

Chair: That is very good to know. Thank you.

Q69 **Robin Swann:** Baroness Foster, you mentioned the appointment of your board, which is a very influential, well-informed Northern Ireland-centric board. Has the Secretary of State ever asked you to look at bringing in someone from GB to strengthen those relationships? The title of the board is Intertrade UK, but it is a very Northern Ireland-centric group of well-experienced individuals.

Baroness Foster: I take your point, which is very well made. Your colleague Lord Empey has made a similar point, and in fact he has written to the Secretary of State about that. Of course, it is for the Secretary of State to appoint the board. I have indicated to the Secretary of State that I think it would be a good idea to have somebody with a GB basis. Most of the difficulties in terms of people who stop trading relate to those within GB, particularly small traders. That is what the FSB report was pointing to.

It said that, in its opinion, small traders—one-man or two-man employers—really do not have the wherewithal, the space, the time or the resource to investigate what is needed to trade into Northern Ireland. Often it is not much, but they have that perception, and we need to deal with that. If we had somebody with a GB basis, that might help to deal with that.

Q70 **Claire Hanna:** Building on Robin's question, can you clarify how the board was appointed, whether there was a public appointments process, and how long your term is?

Baroness Foster: No, there was not a public appointments process. It was an appointment made by the Secretary of State. Just to be clear, I was appointed by the previous Government, the Conservative Government. Then there was a lapse of time, and then the rest of the board were appointed by the current Secretary of State. Just for clarity, the current board is Dr Esmond Birnie; Kirsty McManus, who many will know from the Institute of Directors; Suzanne Wylie, the chief executive officer of the Northern Ireland chamber of commerce; Roger Pollen, the head of the Federation of Small Businesses; and Angela McGowan, who is a director of the CBI in Northern Ireland. It is fair to say that they are all very significant and well-respected people within Northern Ireland business, but I absolutely take the point in relation to the GB basis.

Q71 **Claire Hanna:** How long are their terms and your term?

Baroness Foster: Two years.

Q72 **Claire Hanna:** So yours is two years commencing from the second appointment?

Baroness Foster: I am not quite sure about that. You would have to ask the Secretary of State.

Q73 **Claire Hanna:** Can you describe your engagement to date with businesses and stakeholders, and any misconceptions you have picked up about trading goods and services to Northern Ireland?

Baroness Foster: We have had four meetings of the board. We have met the Road Haulage Association and Belfast City airport. Our next engagement will probably be Larne port. We have not met individual businesses, but we very much support the FSB and Lord Murphy's suggestion for a one-stop shop, which has now been taken up by Government. We think that is critical because individual businesses, particularly those in GB, will have very individual needs and requirements. We are a non-statutory advisory body to the Secretary of State. We are not equipped in resource terms, as InterTradeIreland would be, for example, to answer specific questions around issues.

Q74 **Claire Hanna:** Have you engaged with businesses in England, Scotland and Wales or networks outside the FSB?

Baroness Foster: We were granted a budget in the November Budget. At our last board meeting, we had a strategic discussion about where that money should be spent. Our budgetary plans have not been approved by the Secretary of State yet. However, it is fair to say that we are concentrating on research into what is happening in the market. Secondly, we are hoping to engage with regional areas of GB to find out what is actually happening and what we can do to advise and promote trade.

Q75 **Claire Hanna:** So that is planned but not delivered. Have you encountered any common misconceptions about trading to our region?

Baroness Foster: As we have not had any direct engagement with business, our evidence thus far has come from our board members, who are all very well qualified and look at these issues on a day-by-day basis, and the FSB report, which brought us evidence of difficulties in the internal market, particularly around barriers to trade.

Q76 **Claire Hanna:** Will you be selling dual market access as a hook or an advantage for Northern Ireland, and potential investment in Northern Ireland, to businesses in GB?

Baroness Foster: We are concentrating on the internal market of the UK. Dual market access is more for a wider—

Q77 **Claire Hanna:** It is for businesses that might want a base in other markets as well. Many would see Northern Ireland as an advantageous location. Is that something you will be able to promote? Do you personally see it as an advantage for Northern Ireland?

Baroness Foster: Our first letter to the Secretary of State said that we felt there was a need to delve deeper into the dual market access piece. There has been a lot of talk about dual market access, but we want to look at the data around that. That will hopefully be part of our research base when we get it. The Road Haulage Association and the companies that have given evidence to us do not see it as a huge benefit for them, but they are dealing principally within the UK internal market. That is possibly why they do not believe that it will help them in doing their business. They believe they need to sort out the barriers coming from GB into Northern Ireland rather than the dual market access piece.

Q78 **Claire Hanna:** The UK Government who appointed you, and the current UK Government, who reappointed you, think it is an advantage. Do you think it is an advantage for Northern Ireland?

Baroness Foster: That is why we want the research and the data on dual market access. As I said, we are principally looking at the UK internal market piece. We also want to see if dual market access will attract people to do business in Northern Ireland. To do that we need to have the research. That is why I am really pleased that the Secretary of State has allowed us to have that budget. Up until then, we had no budget, and we were relying on the goodwill of the board members to come in and do all that they had to do.

Q79 **Claire Hanna:** Do you see your role as making the post-Brexit trading arrangements—the Windsor framework—work or as disrupting those arrangements?

Baroness Foster: Certainly not disrupting the arrangements.

Q80 **Claire Hanna:** Do you see your role as making them work?

Baroness Foster: My role is to identify the barriers and then, if possible, to suggest solutions to those barriers. That is why I am focusing so heavily on the research piece. Then we can find out what the problem is, because there is no point in trying to fix a problem unless you know what it is, and then we can suggest solutions. We have had some good suggestions from those we have met thus far.

As I said, the Road Haulage Association has made the very fair point that we should move the "at-risk" point from the various goods that go into a manufacturing process to the finished goods, because that would be a much better way to deal with the issue. That is part of a solution-based approach. Anybody who knows me and what I try to do in politics knows that I am about trying to find solutions to difficulties, instead of bemoaning problems.

Q81 **Claire Hanna:** For clarity, you don't think it is part of the role of Intertrade UK to make the Windsor framework work?

Baroness Foster: That is what we are trying to do. We are trying to find solutions for trade. We want the internal market to work. We feel that there are barriers already there. There has been a lot of work done to try to identify those barriers to date. We think there is more to do, and we are going to try to do that.

Q82 **Claire Hanna:** You have spoken on a number of occasions about triggering article 16 and other disruptions. Is that a view of Intertrade UK or is it a personal view?

Baroness Foster: I think you will find that it was in my political role. I am here as chair of Intertrade UK. We have absolutely no view on the triggering of article 16, and it has not been discussed at any board meeting.

Q83 **Claire Hanna:** Can you talk us through a board meeting? What would be the protocol? Do you have a conflict of interest policy, and how would you address disentangling your political pronouncements from interventions on behalf of Intertrade UK?

Baroness Foster: Because we do not talk about politics at Intertrade UK. We talk about business and trade—

Claire Hanna: Which would be impacted by the triggering of article 16.

Baroness Foster: Sorry, I didn't hear you.

Q84 **Claire Hanna:** Businesses would be impacted by further disruption, including the triggering of article 16 and other interventions. So it is not politics; it is about the impact on businesses. Could you set out any conflict of interest policy? Have you discussed reconciling views that individuals might express outside their work with how they would reflect on Intertrade UK?

Baroness Foster: We are all very mature people on the board. Everybody knows where everybody comes from. Everybody has a particular view on Brexit, the protocol and the Windsor framework. We are all dealing with that. Everybody made their declarations of interest when they were appointed, as I did, so I do not think any of us have any surprises when we have these discussions.

I am pleased to say that all the discussions to date have been very constructive. That is the mode in which we address these board meetings because we want to make a difference for businesses. We are all in this game on a voluntary basis to try to help businesses to do trade within the UK and to grow the economy. That is the subject matter of your inquiry and that is really what we want to do.

Chair: Thank you. Time is of the essence. Gavin?

Q85 **Gavin Robinson:** Good morning, Baroness Foster. It is lovely to have you here, and thank you for the work you are doing. You mentioned infrastructure. You mentioned Belfast City airport in my constituency and its masterplan for post-retirement—it seems—in 2040, and the ports. Have you identified specific areas of infrastructure that you think, from an Intertrade UK perspective, would be beneficial to both GB and Northern Ireland? As part of those discussions, does your board consider previous documents like the Union connectivity review and so on? Katrina Murray will probably pick up on the issues with the A75 and A77—some of those long-term infrastructural issues that have plagued the strategic connectivity within our United Kingdom.

Baroness Foster: We are just at the beginning of looking at the infrastructure part. As I say, we had a very good presentation from Belfast City airport where they talked about their plans. We are looking forward to engaging with Belfast port and Larne port. The Union connectivity report is something that we have mentioned; we have not looked at it in depth. To Claire’s point, I bring my baggage, because I very much want to see that Union connectivity report actioned, particularly around the roads in Scotland, for logistics purposes; that is very important. Lord Hendy, who is now the Transport Minister in the House of Lords, did that report and took a lot of time in looking at the connectivity across the UK. Connectivity is very important for logistics and the movement of goods, so it is something that we want to get into the weeds of.

Q86 **Gavin Robinson:** You have mentioned the budget allocation of £2.25 million. Presumably that is for the forthcoming financial year, so you have plans before the Secretary of State and are asking his approval for your budget. Will that involve much more sustained and strategic engagement with GB businesses? Often, what we have found is not a practical impediment but a lack of will or desire on the part of businesses that do not understand the complex arrangements that have been foisted on businesses in the United Kingdom more generally. They almost need a little nudge, encouragement or helping hand to show that they can continue to trade within the UK’s internal market without impediment.

Baroness Foster: We do not want to duplicate things that are already going on in GB, so we are hoping to partner with some of the regional administrations around promotional events where we can talk about Northern Ireland as a market to do business. We have made contact with the Mayor of Greater Manchester, Andy Burnham, and we are hoping to do something with him. We are also hoping to contact the Scotland Office once the budget is in place to try to do some work there as well, because we feel it is important to have a regional approach to doing business across the UK.

Q87 **Gavin Robinson:** With the budget in place, what does success look like at the end of the year ahead?

Baroness Foster: Success looks like—this may sound strange—identifying those difficulties that we believe are out there, but we need the data to support that. That will come about by talking to trade organisations like the Road Haulage Association but also doing our own research and then identifying how we can deal with those barriers and whether they are perceptions, which we can hopefully deal with quite easily, or whether there are real problems. If there are real problems, what are the solutions to deal with them?

Q88 **Gavin Robinson:** You mentioned data earlier. You have Intertrade UK, and there is also an independent monitoring panel, and they are very data-driven. They engage with HMRC. They are looking at goods flows, GVA, spends and all the rest. Have you engaged with them as a board? Do Intertrade UK and the IMP meet?

Baroness Foster: Yes. We have had a full meeting with them, with our members and their members, and of course we keep in touch with them because they are looking at the data and the accountability mechanisms in terms of the internal market. We have also met with the Office for the Internal Market. We have met with Invest Northern Ireland, as you would expect us to, because, again, I do not want to be duplicating work that they are doing. If they are doing work, how can we add value to what they are doing?

Q89 **Gavin Robinson:** If you have the practical examples of business engagement frustrations and so on, and the independent monitoring panel have the evidential data to back up those practical examples, first, do you at this stage assess that there is an appetite or desire from both of your organisations to collaborate on requests to Government for change? Secondly, have you had a sense from the Secretary of State that he is genuinely interested in identifying problems and, more importantly, rectifying them?

Baroness Foster: That is the key test, I suppose. We can give advice to the Secretary of State. It is whether that advice is then taken forward and dealt with. We have had correspondence coming back to us around some of the issues that we have raised, particularly in relation to veterinary medicines, for example; we had a very comprehensive letter back to us in relation to that issue.

We believe that we are in a position to advise the Secretary of State and for him then to take those issues forward. In terms of the reset, for example, are there issues that can be dealt with in a proportionate manner and in a way that helps businesses in GB to do business into Northern Ireland? That is something that should be part of this EU reset, and hopefully we can provide advice if and when asked. We will also give the advice, so it works both ways.

Q90 **Robin Swann:** Baroness Foster, you said that the £2.25 million is for the coming financial year—

Baroness Foster: No, it is £750,000 for the coming year. It is a three-year budget.

Robin Swann: Compared with the funding of InterTradeIreland, that is completely off-kilter. Was that financial allocation given by the NIO and the Secretary of State, or was a business case put forward for your work? Your work programme is very forward-thinking and very involved, and I just do not see the match between what you are trying to do and the financial allocation that has been provided, because if your board is voluntary, your staffing cohort will be minuscule compared with what you want to do.

Baroness Foster: Of course, InterTradeIreland is a completely different body from Intertrade UK, although the names are very similar. Intertrade UK is a non-statutory advisory body, and our board members are all volunteers. Up until November, we had absolutely no budget line at all.

I know some of the public could not understand how InterTradeIreland can have a budget of x millions of pounds and we have absolutely nothing, but that is because the two bodies are completely different and have different statuses. No doubt when you hear from my colleague from InterTradeIreland, you will hear about the extensive work it is doing on the ground in relation to north-south trade.

On our budget, no business case was put forward for the budget. That allocation was bid for by the Secretary of State. We are very pleased that he did bid for money for Intertrade UK. It means we can be more proactive. We are setting out our work plan for him with the budget lines, and he will then approve that—in the coming weeks, hopefully—and we will be able to get on with things then.

Q91 **Adam Jogee:** Thank you, Baroness Foster, for your comprehensive answers so far this morning. I was very pleased to hear your reference, in response to Mr Robinson, to a regional approach. Staffordshire—Newcastle-under-Lyme—is a great place to do business. We would happily have you and the board come to see us, and there are lots of excellent businesses I could take you to to improve that trade in the United Kingdom.

GB remains Northern Ireland's biggest trading partner, but we have seen an increase in north-south trade in recent years. Can you give us a flavour of what that increase in north-south trade means for the work of

Intertrade UK?

Baroness Foster: Obviously, when I was the Economy Minister in Northern Ireland, I wanted to see trade grow regardless of where that trade was growing. In fact, we were always encouraging people based in Northern Ireland to look to the Republic of Ireland for their first export experience, because it is such a close market and that would allow them to grow in a sustainable way. I think that is probably still the view of Ministers in Northern Ireland.

Certainly, InterTradeIreland facilitates and works with—no doubt you will hear this; I do not want to be giving evidence on its behalf—businesses in Northern Ireland to look for opportunities in the Republic of Ireland, and vice versa. It does that in a very proactive way, and no doubt you will hear all about that.

There has been a fall-off in east-west trade, according to the FSB survey of small businesses in GB working into Northern Ireland. That is of great concern to me, as is the manufacturing supply chain. I do not think there was an understanding—a sufficient understanding—of the manufacturing supply chain when the Windsor framework was thought through. Therefore, there is a need to deal with that, and I hope we can find mechanisms to deal with that, because it is very important for companies.

For example, if a company is headquartered in your constituency, but it has a manufacturing base in Northern Ireland, coming backwards and forwards as part of the manufacturing process—whatever it is manufacturing—will be causing the company a great deal of difficulty. That may lead, as we have been told anecdotally it has in some cases, to investment going into the GB base as opposed to the Northern Ireland base, and we do not want to see that happening. Because of our competitiveness, we want to see Northern Ireland keeping up there with the rest of the UK.

Q92 **Adam Jogee:** In relation to your point about trade anywhere, can I ask what engagement the board will have, has had or may think to have with Departments across Government? The Trade Minister, Sir Chris Bryant, is travelling the world doing lots of things. I am particularly interested in the potential of the Commonwealth to boost trade internally, and the UK economy generally. I am interested to know what the board's thinking is for making sure you are part of the Government's trade agenda.

Baroness Foster: It is probably something for the future, but this is where Ms Hanna's point about dual market access comes in. At the moment, we are very much focused on internal trade within the UK and the barriers to that at the moment. If you are looking at international trade, you are looking at the dual market access piece. That is where that comes in, as opposed to the coming backwards and forwards across the Irish sea, where the difficulties are at present.

Q93 **Adam Jogee:** We all know that there are different views on the United Kingdom's departure from the European Union: why, what, the impact and the rest. We obviously have to make a success of it—that is important for everybody. Given some of the concerns, and the particular impact that leaving the EU has had on Northern Ireland and Northern Irish businesses, what is Intertrade UK doing to help make sure those businesses get the support they need to navigate quite choppy waters?

Baroness Foster: One complaint is that they are not heard, and that is the first stage of raising problems. It is important that we facilitate those businesses that may have a problem. The difficulty is that, if you are going against the grain as a business, raising issues and complaining about things, while others are saying, "No, it's great and what we need," you may hesitate to put your head above the parapet. We want to say to people, "You can come and have a conversation. Approach us and raise your voice if you have a problem."

We do feel the problems need to be identified. Unless you identify them, you are not going to be able to try to solve them. I am not suggesting for a moment that we are going to be able to solve all the difficulties; what I am saying is that, if you do not raise them, there will definitely not be a point of trying to deal with them.

Q94 **Adam Jogee:** Not to take you back in time, Baroness Foster, but can you give us a flavour of how engaged and interested the current Northern Ireland Executive is in the work of Intertrade UK?

Baroness Foster: We have not had any direct engagement between any Minister in the Executive and Intertrade UK. However, we have had engagement with Invest Northern Ireland, which is the principal body that deals with economic development.

Adam Jogee: Thank you, I'll see you in Newcastle-under-Lyme.

Baroness Foster: I look forward to the invitation.

Q95 **Robin Swann:** In previous answers, you have touched on the complexities that flow out of the Windsor framework. It is an ever-moving feast, with additional bureaucracy and checks being brought in. Has your role as a body been to keep that information and engage with businesses to make them aware of those complexities? I am trying to get a sense of your interaction as an organisation with the likes of the trader support service. You mentioned Lord Murphy's report. How influential or involved are you in trying to shape those messages and get answers to the challenges that businesses are facing?

Baroness Foster: When there are changes at European Union level that are applicable to Northern Ireland, we are concerned about whether there is a good level of knowledge within the business community about what is required. ICS2 is a good example of the changes to haulage that came in at the beginning of the year. That brought a lot more bureaucracy for companies, particularly haulage companies. There is a need to have more openness about that.

From our perspective, we are not there to promote the changes at a European level. We are there to advise on the impact of those changes when they are put in place and whether they are proportionate. If they are not proportionate, can we deal with that in a practical way? Intertrade UK is about trying to find practical solutions. We are not there to solve all the problems of our exit from the EU.

Q96 **Robin Swann:** You mentioned being solutions-focused and meeting the RHA and FSB, two organisations that have been very proactive and engaged in looking for solutions. Have they expressed to you that the NIO or even the Government are not listening to their concerns, and therefore they have to come to you almost as an intermediary to get doors opened for them?

Baroness Foster: I hope that we are an intermediary and are helping people get access to those who are involved in the EU reset. It is really important that the practical outworkings of the Windsor framework are reflected back into Government, and I hope we can help with that. Again, we are only a board that meets on various occasions. We have a secretariat in the Northern Ireland Office, but it is kept separate. We are trying to do our best with the limited resources that we have.

Q97 **Katrina Murray:** Thank you for spending time with us today, Baroness Foster. You have probably already touched on some of the things that I am going to ask in your responses to Mr Jogee and Mr Swann. One of the things we are very aware of is that the Northern Ireland economy is a lot more SME-based than GB, so in addition to having to deal with a different regulatory framework, the impact of the regulatory framework on SMEs is something that we are much more concerned about. Is dealing with this specific Northern Ireland issue part of Intertrade UK's work plan?

Baroness Foster: There are two issues there. I understand that the one-stop shop comes into being later in the year and the Northern Ireland Office has told us it is engaging at present as to the shape and nature of that one-stop shop. I am pleased about that because what we do not want to see happening is something being imposed on us that is not fit for purpose. It is important that it engages with what is needed.

Secondly, we hope to work with different regions that supply goods into Northern Ireland, but where small businesses in those regions may have difficulties. If we do that and work with the different regional areas, we think that they can help us to identify those small businesses that may not now be doing business with Northern Ireland for quite understandable reasons.

Q98 **Katrina Murray:** As we have been talking about, it is a bit of a cluttered landscape out there with the Department for Business and Trade, InterTradeIreland, Invest NI and yourselves. How will you manage to make that more easily understood, particularly by SMEs?

Baroness Foster: For SMEs, we are hoping that the one-stop shop will be their first point of contact. We do not envisage that their first point of contact would be us because we are more about policy and advice. I hope that will provide an answer for small businesses.

When it comes to promotional activities, we will become involved, hopefully partnering with bodies like Invest Northern Ireland. The worst thing we could do would be to duplicate something that is already happening; that would be a total waste of Government money and everybody's time and effort apart from anything else. It is about partnering with other organisations and then working together in that way.

Chair: Thank you very much for your time today; it has been really useful for the Committee.

Examination of witness

Witness: Colin McCabrey.

Q99 **Chair:** This is panel 2, and we welcome Colin McCabrey, director of trade at InterTradeIreland. Good morning, Colin. Thanks for joining us. Would you set out the role of InterTradeIreland and how it works?

Colin McCabrey: First, thank you very much for the opportunity to join you here this morning to give evidence. I am sure many of you will be familiar with the work of InterTradeIreland, but for those who are not: we were established under the Good Friday agreement, and we are the only organisation with a direct legislative mandate to lead economic development across the island of Ireland. We do that by having a number of strategic priorities: leading all-island economic collaboration, boosting competitiveness and productivity, driving all-island trade, and accelerating innovation, entrepreneurship and enterprise. That aligns with policies of the Irish Government and the Northern Ireland Executive. There are similarities across the policies of both in regards to the focus on productivity, competitiveness and innovation, market diversification and export, and particularly the growth of indigenous businesses.

For background, our funding model as a body is that we are two thirds funded by the Government of Ireland through the Department for Enterprise, Tourism and Employment, and one third funded through the Department for the Economy in Northern Ireland. In addition, we have funding from the Irish Government's shared island initiative, a €30 million initiative that we have developed and deliver in co-partnership with Invest Northern Ireland and Enterprise Ireland.

As a public body, our reporting models are under strand 2 of the Good Friday agreement, so we report into the North South Ministerial Council. We have sectoral meetings there with Minister Burke, from the Irish Government, and Minister Archibald, Minister for the Economy in Northern Ireland, in attendance. We align our strategic priorities and report on progress through that structure. We have 12 board members, who lead our strategic direction. Six of them are nominated by the Northern Ireland Executive and six by the Department in the south. They are all business thought leaders, representing both jurisdictions and guiding our strategic direction as a body.

I am director of trade, and there are three strands to that support. One is provision of technical trade information and advice. We have reached an audience of 64,000 users—businesses—to navigate VAT treatment, customs regulation and cross-border employment on the island. Some 54% of those are Northern Ireland businesses, but interestingly, 46% of the businesses accessing those services are Irish. We help businesses to develop trade through sales, researching the market, planning their cross-border exports and then growing their exports. We link businesses into commercial opportunities in terms of public tenders and the supply chains of larger businesses.

Q100 **Chair:** Is your engagement with the Northern Ireland Department for the Economy frequent? Is it at certain times?

Colin McCabrey: It takes place on a weekly basis. In terms of delivery, our objectives are aligned with the Minister's economic vision. We have the formal structures through the North South Ministerial Council and the sectoral meetings. We also have a structure of what we call oversight and liaison, where we meet with the two parent Departments in terms of progress and operational delivery, and then we meet fairly frequently in the mobilisation of the shared island fund. There is a very informal relationship as well as the formal one through the governance structures.

Q101 **Chair:** And with Invest NI as well?

Colin McCabrey: Absolutely. There is commonality in our approach. We sit alongside Invest Northern Ireland on the Northern Ireland export forum. We sit alongside it and the Department for the Economy on things like the Ministers' special action group for social enterprise development and the Ministers' special action group on US tariffs.

Q102 **Chair:** How do you see your role in relation to Intertrade UK?

Colin McCabrey: I think our supports are fairly complementary. I guess we share the commonality of name: InterTradeIreland and Intertrade UK.

Q103 **Chair:** Does it cause confusion?

Colin McCabrey: It is causing a wee bit of confusion, but there is a distinction between the remits. Intertrade UK is an organisation that is an advisory body to the UK Government. InterTradeIreland is an agency with a range of supports and grants available to businesses to enable them to grow trade, innovation and entrepreneurship across the island. In working together, we see great opportunities. The trade statistics show that trade across the island, north-south, and east-west trade are equally important. It is about growing trade across the island.

In cross-border trade, for example, we have supported businesses from Ireland to access the Northern Ireland market, with one good example being an Irish manufacturer of steel tanks for the dairy industry. It got a good contract in Northern Ireland and was then able to sell into connections in Scotland. It developed east-west, but it was about scaling that business on the island first. Similarly, with Northern Ireland businesses, we have, for example, Long Meadow, a cider and apple juice manufacturer in County Armagh, which we have helped to grow and scale the business by selling into Ireland. We got it into the 52 Marks & Spencer stores in the south of Ireland, and on the back of that, it has scaled the business to grow off the island into GB.

To go back to your question about working with Invest NI, our remit is very much about cross-border growth and scalability and then encouraging those businesses to access the services of Invest NI for export off the island. Part of that message involves working alongside Intertrade UK to make sure that east-west trade is maximised.

Q104 **Chair:** Are your workstreams focused on clustering sectors that align with the NI Executive and UK Government's priorities for growth?

Colin McCabrey: Very much so, yes. They are focused on the sectoral priorities. All of our supports would enable that. We have developed clusters between Cyber Ireland and the CSIT at Queen's. We have developed clusters around oncology and a number of others that all deliver against the key priorities in the UK industrial strategy and the Minister's economic vision. There is more alignment between those and the Irish Government's priority sectors as well.

There is one nuance, which relates to SIC codes. The codes require businesses to identify themselves as being part of one sector, but so many businesses in Northern Ireland are SMEs and may have an element of advanced manufacturing and other types of industry. The SIC codes therefore do not necessarily reflect the extent of the priority sectors in Northern Ireland. What we would say is that there is probably an element of the priority sectors across all SMEs; it is about how those priority sectors become an enabler to SMEs in their growth journeys.

Q105 **Gavin Robinson:** Good morning and thank you for joining us, Colin. You mentioned engagement with the Department for the Economy and the Department of Enterprise, Trade and Employment in the Republic of Ireland, but you also mentioned east-west trade, and I think it is important to recognise that Northern Ireland's largest market is Great Britain. The Republic of Ireland's largest market is Great Britain, too. How much interaction does InterTradeIreland have with the Department for Business and Trade in the United Kingdom—or BEIS or BIS, depending on which acronym is in vogue? Is that there? Is it informal, or does it form an actual part of your engagement strategy for the year? Do you work together and collaborate? Some of the frictions and so on that we talk about in Northern Ireland apply equally to Dublin-Holyhead. Businesses in the south will have had difficulties as well. In that east-west collaboration, how much engagement is there across the Irish sea?

Colin McCabrey: Thank you, Gavin. DBT's presence in Northern Ireland is fairly new and growing, but DBT sits alongside us in the Northern Ireland Export Forum, so we co-design programmes, and there has been a series of recommendations about how we could streamline those supports.

The overwhelming message that we have for businesses in Northern Ireland is that there are a range of different supports available from Invest

NI, councils through the Go Succeed programme, the likes of InterTradeIreland, and DBT, but there is a difficulty at the point of accessing those support services. With DBT, we have had strong relationships. We have delivered a number of export-focused events in partnership with DBT and Invest Northern Ireland around helping business customers engage on that export journey and to know the distinction between each of the three supports.

Q106 **Gavin Robinson:** That is DBT in Northern Ireland, rather than structural engagement with the rest of the United Kingdom.

Colin McCabrey: Yes, but that is the liaison we would have in terms of engagement. We also engage through the Northern Ireland Office and the Executive Office on pertinent things that have an impact on trade, such as the Windsor framework and the outworkings of that. There are good points of contact in terms of operation and mobilising what that means in practice. It is something that we are mindful of in terms of building collaboration and working closer with them.

Q107 **Adam Jogee:** Good morning and welcome to the Committee, Mr McCabrey. I have quite a focused question: can you identify for us the challenges and barriers facing Northern Ireland businesses as they seek to trade both with Great Britain and with the Republic of Ireland?

Colin McCabrey: I have spoken already about the number of SMEs, and a fair proportion of those are smaller microbusinesses with fewer than 10 employees. We do surveys of businesses every quarter—750 businesses across multiple sectors are surveyed. That persistently tells us that cross-border traders have higher growth, stronger sales forecasts and a higher growth margin in their businesses. The opportunity is really to grow their exports, and when they do, they are working in dual currency between Northern Ireland and Ireland. Then we can grow their exports from there off the island. There are opportunities in terms of sales and commercial opportunities and tenders. I talked about access and supply chains to larger businesses. There is a big focus on that, not only because of wider geopolitical trade challenges, but in terms of sustainability movements within larger businesses around nearshoring supply chains.

The barriers are probably reflective in a Northern Ireland-Ireland context of what you are trying to address through the UK industrial strategy. It is things like administrative cost—the cost of doing business—in particular the cost of energy, of insurance and of the administration of customs compliance and other areas under the Windsor framework. We say to businesses that if they are going to trade and are looking to scale their business and export, they are going to have to do an element of compliance—full compliance, obviously, but an element of being ready and investing in your compliance and customs and regulatory compliance. That is just part of international trade. We do not see that as a negative. We encourage businesses to embrace it, because to grow their business, they are going to have to continue that journey.

Other barriers specific to Northern Ireland and Ireland include challenges with recruitment in terms of labour supply. That is particularly pressing in some of the border counties. If you are in Londonderry and you have an opportunity to recruit, your sphere of influence—your catchment area—would extend into Donegal, where there is a readily available supply for your business. We find, however, that businesses are opting not to recruit from the opposite jurisdiction, just because it would require them to administer two payrolls and there are different conditions. There are also differences there in terms of pension compliance and things like that.

Q108 **Adam Jogee:** So it is easier not to?

Colin McCabrey: It is easier not to, but it is a bit short-sighted in terms of trying to address the undersupply of labour, particularly in those border county areas.

Other things that still impede businesses include challenges around the mutual recognition of qualifications. If you are a contractor in a Northern Ireland context and you win a contract in the Republic of Ireland, you may find that you need an electrical engineer from Ireland to go down and certify the works, because there is a difference in the qualifications and regulation of those qualifications. That has a bearing on labour market mobility and accessing services from Northern Ireland to Ireland. There are also practical things. If you are an Irish national and working in Northern Ireland, it can be difficult for you to access a mortgage, for example, because you will need to have a career history. There are very practical, tangible things that, from an administrative perspective, are inhibitors and are unique to the Ireland-Northern Ireland context.

Q109 **Adam Jogee:** Thank you. That is very comprehensive and reflects many of the points that we heard when we engaged with businesses on the ground. If you could get the UK Government to address one of those barriers, which would it be?

Colin McCabrey: They are all priorities, but of different ranges. In terms of labour market mobility, we have been working with Chartered Accountants Ireland, which has representation across Northern Ireland and Ireland. We realise that some of these issues are sovereign in terms of the required actions on them, but the feeling among the accountants and the practitioners in terms of labour market mobility is that there are quick wins and quick supports that could be put in place by HMRC working with Irish Revenue to address some of those issues—just a practical look at what the prioritisation could be. There has been a willingness.

One of our roles is as a convenor and collaborator, so we do not influence and inform the policies, but we deliver against them. We try to bring the parties together across Northern Ireland and Ireland to be aware of the issues in the hope that there are some areas of redress that can be achieved by collaboration.

Q110 **Simon Hoare:** Good morning. Could you set out for the Committee—bullet-point form might be helpful, for clarity—the challenges and opportunities as you see them that the all-island economy presents for those doing business or looking to do business in Northern Ireland?

Colin McCabrey: In terms of the all-island opportunities, in our role as convenor, there are opportunities for the Northern Ireland economy just from that level of collaboration. We know that too few businesses are considering exports, and that is a multifaceted issue. It is partly because of the resource challenges. It is partly because, as SMEs, they are looking after all aspects of the business. If we can support more businesses to trade across the border for the first time, that grows their competency and capability and then builds the scale of business to where they can export off the island.

It is a very safe first step for them as businesses. From a Northern Ireland perspective, if they are selling just 50 or 100 miles down the road, they are working within a new jurisdiction and meeting the regulatory and compliance standards, but there is the comfort of it being logistically and culturally easy to access. The thought process that they need to adopt as businesses is the same whenever they look at markets off the island. The opportunity is there in terms of that easy enabler of businesses to grow, which will help deliver productivity and competitiveness.

The other opportunity—which, again, is just because of close proximity—is access to public tender opportunities. There is immense money spent by the Irish Government on infrastructure development and improvements, and we actively work to plug Northern Ireland businesses into those opportunities. In terms of the tendering and procurement process, Northern Ireland businesses would need to register for the UK system but also for the Irish system. We encourage and walk businesses through accessing those supports.

What we would like to get from both a Northern Irish and Irish perspective is line of sight on those big investments. That is as much about Northern Ireland in terms of city deal projects and the other funding streams that are coming to the fore through the defence zones and so on, so that we can mobilise supply chains and businesses are ready to access those commercial opportunities.

Q111 **Simon Hoare:** What is your view on how Northern Irish businesses can better leverage their position on the island of Ireland to support growth? I am thinking particularly, but not exclusively, about the access to two very distinct and lucrative markets.

Colin McCabrey: Dual market access definitely offers an opportunity to Northern Ireland, but it is unrealised yet. That is not necessarily because of the instrument of dual market access itself. Our research tells us, and businesses tell us, that with so much geopolitical uncertainty across the globe, businesses are opting for stability. For example, in terms of the large pharmaceutical supply base that we have in Ireland, particularly around Dublin and Cork, the US tariff change has not meant there has been a big rerouting of pharmaceuticals, because the nature of recent events is such that things constantly change. Businesses are opting to stay stable for now, but I think that, in time, the dual market access opportunities will be realised.

Looking at trade flow patterns, it is interesting that cross-border trade of goods and services increased from around £9.8 billion in 2022 to £12.4 billion in 2023. That is an exemplar. The data is not available yet, but the likelihood is that in 2024 and beyond, it will grow further towards £15 billion, so cross-border trade is growing. East-west trade of goods and services from Northern Ireland to Great Britain increased by 12.4% to £17.1 billion, and GB to Northern Ireland increased by 16.2%. Cross-border trade is increasing. That is not necessarily a consequence of Brexit and the Windsor framework; cross-border trade has been increasing since 2016. That is probably a bit from better infrastructure, a bit from better cultural ties, and because the pandemic required nearshoring of supply chains. East-west trade has equally grown, so it is not that north-south trade growth is displacing east-west trade growth. It is actually that businesses are looking at how they can diversify their markets to remain more resilient in the context of wider geopolitical challenges. Dual market access is a very interesting opportunity for Northern Ireland, but it is good for GB and Northern Ireland trade as well.

Q112 **Simon Hoare:** For clarity, can I check whether those rather encouraging figures of north-south, or inter-island, trade were for specifically the value of the trade from north to south, and not two-way figures?

Colin McCabrey: They are two-way figures.

Q113 **Simon Hoare:** Do you have a split for what the value is of trade from north to south?

Colin McCabrey: Not with me, but I will get that for you; I am happy to follow up after the sitting.

Simon Hoare: That would be helpful to see what the balance is.

Robin Swann: I think that the east-west balance would be useful as well, Colin, to show what is going east-west and west-east, so that we get a rounder picture.

Q114 **Simon Hoare:** Yes, so we can see if there is a dramatic tilt. Obviously, Nick Thomas-Symonds and the wider Government are looking at SPS and developing relationships with the EU. Do you pick up any sense, commercially, of pressing the pause button on initiatives to see how that settles down, when it might be delivered and what, if any, regulatory barriers it might reduce or remove?

Colin McCabrey: I guess the hope is that the SPS agreement can be accelerated. It would reduce a lot of administrative barriers for businesses.

Q115 **Simon Hoare:** I appreciate that. The question is: are people saying, "This is a very fluid situation. We think we know what the direction of travel and the landing spot is. Let's hold off on investing in kit, software, whatever, for overcoming 'barriers' that will, hopefully, be temporary"?

Colin McCabrey: I think there is an element of that but, at the same time, businesses are having to make the investment to remain compliant for now. I am sure you are familiar with some of Asda's recent communications about the need to remain compliant with the "not for EU" labelling in Northern Ireland when their retail distribution does not exist beyond the border of Northern Ireland. Asda is required to make that investment knowing that, hopefully, when the SPS checks materialise, that investment will be null and void on its part. There are probably many other businesses like it. It is a hard question to answer; the answer is probably on a business-by-business basis. You will find that a lot of these issues are specific to a business's own particular supply chains.

Q116 **Simon Hoare:** I think my colleagues on the Committee and I would welcome your assessment of the effectiveness of UK Government policy in supporting NI businesses to operate cross-border and, allied to that, your assessment of whether the UK Government, the Executive and indeed the Irish Government are providing enough effective and—to use a horrible phrase—joined-up policies to maximise opportunities such as industrial clusters.

Colin McCabrey: I will take the first one. In terms of supporting businesses, I have already touched on the range of supports that are available across the range of agencies. The difficulty that we hear from businesses is knowing how to navigate those. For example, in a Northern Ireland context, you have NI Business Info, which is administered and managed by Invest Northern Ireland, as the one-stop shop of support for business information and advice. At InterTradeIreland we have a trade hub that is specifically about north-south trade matters. That site supports 64,000 businesses to navigate customs, regulatory and VAT treatment matters on a north-south basis.

Then we have the business growth service, which is a relatively new initiative developed by the Department for Business and Trade that is trying to penetrate Northern Ireland. We are promoting that. You can see how a number of touch points exist for different agencies. The latest one is the announcement in the Budget of a one-stop shop for trade matters on an east-west basis.

All the support is there. It is all very laudable support for businesses, and it is the right support in the right areas. The challenge is how we bring that together under one umbrella. It is not so much that we are duplicating services, because we are not—there are distinct strands of activity—but it is about making sure that our communication messages are effective and efficient enough to reach businesses so that they can navigate effectively.

Q117 **Simon Hoare:** Is it your hope that the creation of the one-stop shop will, cumulatively, maximise the bang for the buck?

Colin McCabrey: Absolutely. We are very supportive of the one-stop shop, but we should bring it all together so that there is a one-stop shop for east-west matters and north-south matters. From a business perspective, if they are trading, it is likely that their supply chain will be north-south and east-west, so it is hard to take one in isolation from the other.

You mentioned the Irish Government and joined-up policies. Because of the mirror of policy priorities in Ireland and Northern Ireland that I mentioned, there are good opportunities to grow clusters. I would say that Ireland is more established in some of its clusters. Northern Ireland has more fledgling networks that definitely have the ability to become clusters. For example, there was talk of a health and life sciences cluster in Northern Ireland, when there is a very strong one in Galway. It makes sense to bring that learning together in an Ireland context.

Similarly, you mentioned oncology. We are working with Queen's University Belfast and UCD in Dublin on how we can work with industry to commercialise research. Again, these clusters are not research for research's sake—they are trying to commercialise it for businesses. If you can achieve that on a north-south basis, you increase the scale and capacity of the clusters in Northern Ireland, which then indirectly contributes to your east-west UK strategy on cluster development.

Q118 **Simon Hoare:** I have one final question; it is very brief. Is enough being done to exploit the Celtic fringe of Scotland, Northern Ireland and Wales? One automatically defaults to what Westminster is doing, but is there sufficient business focus to support growing collaboration between the devolved regions?

Colin McCabrey: We have the UK-Ireland summit, which was well received by all those areas at the time. It set out the prioritisation across things like healthcare, justice and defence. There was a whole range of areas—not only trade. It would be great to build on that. There is another summit planned, in spring this year, I believe—it is still to be confirmed. Also, Ireland is hosting the presidency of the EU, come July. Again, that will mean a convergence of the relevant decision makers to build and broker those relations. The more than can be done, the better, but the starting point and where we have got to already is very positive.

Q119 **Robin Swann:** On the one-stop shop approach, a number of organisations and representative bodies—you mentioned pharma and all the rest of it—have similar fears about working not just north-south but east-west. Is there enough co-ordination between those organisations to make sure we get the real benefit and it is not just an all-island approach?

Colin McCabrey: In terms of the co-ordination, there are enough forums and different groupings. The benefit of Northern Ireland is the level of familiarity that we have with each other because it is a small place. We know each other really well, and we work closely with each other across different stakeholder groups.

While we are all working together in partnership, and we are incentivised to do so through alignment with policy objectives from the UK—and, in our case, Ireland and the Northern Ireland Executive—the opportunity arises for more UK funding. So, for example, we have the AI growth zones, we have the defence growth deals, and we have the local growth fund, all gaining traction in a Northern Ireland context over the coming months. Of course they are very commended and they are focusing the support in the right areas, but what I would ask is that, given the choreography of some of those big growth-ticket items, there is the co-design at the outset of those initiatives so that we can add value to the existing supports and services that we already deliver as agencies.

One example of that is the local growth fund, which is £45.5 million investment per year; that is replacing the shared prosperity fund when it ends at the end of March. There has been a change in that local growth fund from what was previously 75% revenue funding to something like 33% revenue funding, which has a knock-on effect on supports like the Go Succeed programme for early-stage export and entrepreneurship, but also in the community and voluntary sector. Within that community and voluntary sector, we are doing a lot of work around economic inactivity and access to placements, and the withdrawal of that eligibility for funding will mean that we are not working as collaboratively towards the productivity uplift and skills shortages and educational under-attainment that is part of that challenge as well.

To come back to your question, all the support structures are there, we have the good relationships and we do align, in terms of policy priorities, in trying to position our programmes and supports for businesses. But there is the other opportunity, which is UK mainstream funding coming in outside of the block grant; we are reacting to that in terms of delivery bodies, and it would be great if we could reach a point where there is more opportunity to co-design.

Q120 **Robin Swann:** Where do you see the failure with regard to that? I think specifically of the UK shared prosperity fund, which you raised—I know, Chair, that the Committee has looked at that. When you looked at Government announcements about that, they say they have been working in partnership—in collaboration—with the Northern Ireland Executive. So, you don't see it as an underplayed Ireland role, so where is the failure in that co-ordination? Is it at Executive level, or is it Government level, or is it just nobody taking ownership?

Colin McCabrey: No, I don't think it is Executive level or Government level; it is just the outworkings of a process that is fairly centralised. I guess in terms of a UK approach to these things, it is always prioritisation and scalability. If you are looking at prioritisation and scalability in a Northern Ireland context, it is difficult to compete for some of those projects on a sub-regional basis if we are trying to balance the regions as well. It is difficult for Northern Ireland to compete to secure those funds whenever there are other, bigger-scale opportunities in more city and metropolitan economies.

Q121 **Claire Hanna:** I wanted to ask you about businesses realising or not realising the benefits of dual market access, some of which appears to be down to its not being promoted actively, and some of the continuing frictions and complexities. I wanted to ask you about those—what feedback and patterns are you noticing from Northern Ireland businesses that would prevent them from leaning into that?

Colin McCabrey: Thanks, Claire. I think it is fairly well documented from Invest NI as well that dual market access has the potential, but it just has not been realised yet. I personally feel that is not to say that it is not a good tool set, because it definitely is, and it will lead to those opportunities in the future. I was saying earlier that, in terms of the feedback from businesses and the surveys that we have got, businesses are just opting for stability at present. So, while dual market access may unlock more investment in the future, for the time being, because of all the wider geopolitical tensions, businesses are opting for stability. An example I gave was pharma and tariffs in the south. The change in the tariff rates has not meant that there has been a mass exodus of pharma from Ireland, because these things could change again in a number of months, so they are thinking, "Let's just stay steadfast and see how these things change over time." But at the right time, I think the opportunities will be realised in Northern Ireland in the dual market access opportunity.

Q122 **Claire Hanna:** Separate from the dual market opportunity, what other challenges relating to the Windsor framework are you encountering within businesses?

Colin McCabrey: The challenges as such are wide-ranging. To go back to the point I was making, a lot of businesses are SMEs and the majority of those have fewer than 10 employees, so when it comes to resources, they do not have the necessary resources to spend the time on that. That is where our support comes in, with a framework of consultants and specialists—they are very much specialists, in terms of accountancy practices on both sides of the border and understanding the taxation issues—and SMEs can avail themselves of that support free of charge.

The issues are with customs compliance—making sure that they are not paying tariffs when they do not need to be, or the definition of goods at risk. That sounds very practical, but it very much depends on individual supply chains. Whenever we go in, whenever a business approaches us for support, we obviously provide a very confidential service, but we have found that—in the earlier days of the Windsor framework and Brexit—there were changing requirements. The nature of SMEs is such that they have developed a process that has become custom and practice, but custom and practice may not be fully compliant in certain areas.

On how we support businesses, we build confidence that we are an independent, confidential service to help them; we are not going to go running to HMRC or the Irish Revenue. The message that we would give to HMRC and Revenue is: rather than go to enforcement, go to enablement and empowerment, because that is what the supports that we are all providing and working together for are trying to do. But issues are specific.

On dual market access, too, a number of businesses have contacted us about what that would mean. What does dual market access mean, the opportunities or threats? We would work with such businesses on scenario planning from a trade perspective. As far as we are aware, we have shared that advice, but they have taken the advice and their response has been, "Okay, let's just wait and see." That seems to be the message.

Q123 **Chris Bloore:** I have really enjoyed your evidence today. This being the last question, you have largely answered my question on what you are doing to support SMEs. My question is about the missing middle and the composition of businesses within Northern Ireland—so, largely SME-focused. Through your work—I am not asking you to get the crystal ball out too much—do you see a realignment within the Northern Ireland economy in the next 10, 15 or 20 years, when it would not be so heavily reliant on microbusinesses and SMEs? Do you see the growth? Would you see that as a point of success, if you were able to create that middle?

Colin McCabrey: Yes, absolutely, but that is a difficult one to enable. There are a number of different pressures and—this is not just Northern Ireland, but across the whole UK context, and even into the more sub-regional parts of Ireland as well—one is the level of ambition within businesses. They reach a certain level of scale, and are comfortable with that acceptable level of risk, so that they do not want to push the boundaries—maybe from an ambition perspective. I call that the BMW syndrome: they have reached a nice quality of life and everything is manageable, so why would they scale the business up? The element of ambition might be the challenge there.

The other element is workforce and labour. If they cannot scale the business through the appropriate skillsets, even if they do have the ambition, how are they going to realise it? If they cannot get the labour, they might be looking at automation, robotics and AI, but that in itself is a risk to those types of businesses. But how will they finance and invest that? They then close the circle fairly quickly—"Well, let's just maintain this level of growth that we already have."

If we can break the mould by getting in the growth sectors and working with them on things like AI, advanced manufacturing and cyber-security as an undercurrent of everything, we would grow businesses through practical support. I think that is the only way. All of what we do de-risks businesses in their growth, expansion and decision-making process. I think that the UK industrial strategy does that really well for the key sectors, but to go back to what I was saying on the elements of those key sectors, a business might not identify itself in that strategy as a key sector. Definitely, however, those sectors will be the enablement of their future growth. That would be a fantastic place to be, but because of geography and different barriers, although I like to think we will achieve it, it has been a hard one to crack in the decade since.

Chair: That brings the session to a close. Thank you.