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"As transformative as the Euro"

– New EU Green Deal Explained

A month into office, new EU Commission President Ursula Von der Layen presented 'the European Green Deal'; an ambitious strategy to transform Europe's economy for a sustainable future. Described in Brussels circles as being "as transformative as the Euro", the Green Deal will frame every project, policy, regulation or investment decision made under Von der Layen's commission. So, what's this deal about and what can we expect?

Put simply, the Green Deal sets new, more ambitious climate targets while also decoupling economic growth from resource use. Critically, the Deal aims to ensure that the EU economy remains competitive during the green transition and that no group of citizens, or sectors, are left behind.

As with any plan, delivery is key. To successfully transform Europe into becoming more sustainable, much will depend on raising finance to stimulate investment, mobilise innovation and change how we heat our buildings, consume products, or transport people.

To meet its targets, the EU will be launching the Sustainable Europe Investment Plan (SEIP) and a Just Transition Mechanism. The EIB is set to re-position itself as a 'climate bank' while the SEIP aims to mobilise a €1 trillion fund, with at least 25% coming from the EU budget.

Furthermore, the Just Transition Fund will contain approx. €100 billion to support regions most exposed to transition challenges within each member state. Of this, circa €50 billion will come from the Commission and the balance from a public sector loan facility through the EIB.

The word from Brussels is clear: The future of Europe is a greener Europe; a Europe which cares about the environment and a world leader in sustainability. So, it is incumbent on us all to seize this opportunity.

Q4 2019 JOBS AND GROWTH

OCTOBER

- Ernst & Young to create 600 jobs in Dublin, Cork, Galway, Limerick and Waterford
- Global Shares announces 30 new jobs
- Client Solution opened a Cork city office and announced 100 new jobs across Cork and Dublin
- JANNSEN Sciences officially opened its new manufacturing building in Ringaskiddy creating an additional 200 full-time jobs

NOVEMBER

- Eventbrite announce 20 jobs in Cork city
- Cosmetic Creations announce 30 jobs to be based a new site in north Cork city
- Danish home retailer Jysk opened its first store in Youghal
- Peninsula HR opened a new office on South Mall creating 8 new jobs, with plans to increase the number of roles to 25 in the next 12 months

DECEMBER

- Horizon8 to create up to 50 jobs in Cork with new European HQ



SURVEY RESULTS

QUARTER 4

“ Build out more green space... ”

Fiona Moloney, HaloSOS

“ We need a renaissance of the City Centre. A tidy up of all approach routes to Cork – first impressions last. ”

John Mullins, Amarenco

“ A future smart city includes smart public transport. ”

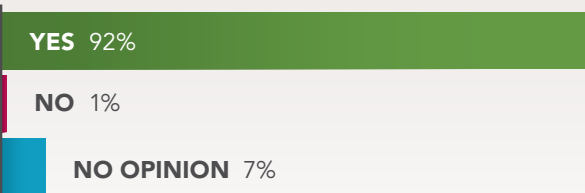
Clare Kennelly, Inclusive Cork

The final economic trends survey of 2019 reports on member experiences during October, November and December. The survey asked the thoughts of the Cork business community on Q4 2019, and the outlook for Q1 2020 on business confidence, the operating landscape, skills and for their overall economic perspective. Quality of life for citizens is a key pillar in developing a successful location for investment and skills. To this, arts, culture and placemaking are fundamental, and we explored the role of public art and placemaking as part of our recent survey.

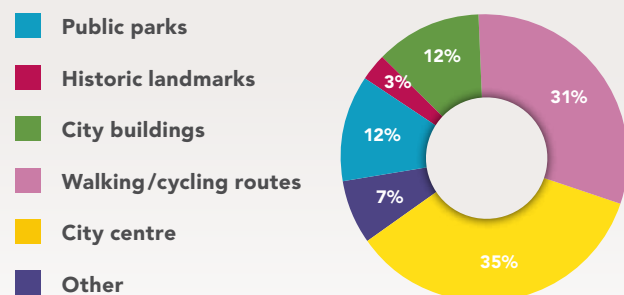
CULTURE AND PLACEMAKING

In exploring the topic of public art and placemaking we asked the Cork business community on the role and the opportunities to continue the enhancement of our City centre through funding mechanisms like the Cork City Centre Placemaking Fund which has been opened again for 2020.

ART IN PUBLIC SPACES ENHANCES THE EXPERIENCE FOR RESIDENTS, AND VISITORS

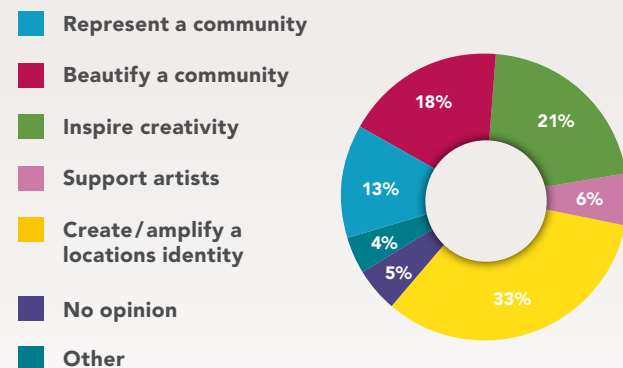


INVESTING IN PUBLIC ART OR COMMUNITY PROJECTS



‘Other’ responses predominately highlighted all of the answer options, adding their support to the objective of the Cork City Council City Centre Placemaking Fund, and similar initiatives that improve the appeal and heritage of the city to visitors and residents alike.

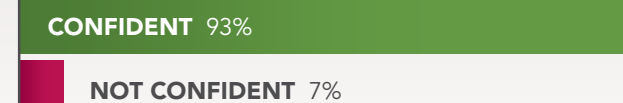
THE ROLE OF PUBLIC ART



‘Other’ sentiment highlighted the role of art across the full range of answer options.

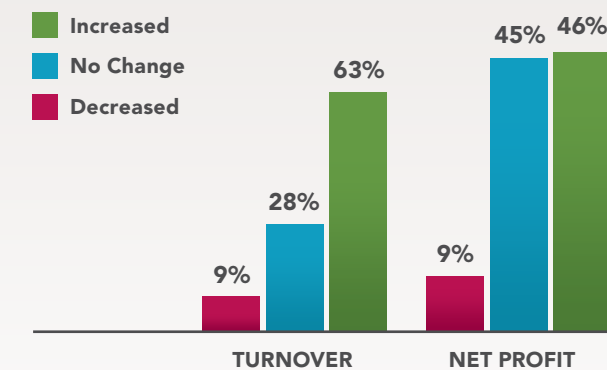
When asked in relation to international projects that should be considered in the Cork context, the New York Highline was a reoccurring response as was street art with examples of Berlin, Melbourne, Lisbon and London referenced.

BUSINESS CONFIDENCE



In Q4 we saw an increase in those reporting business confidence at 93%, an increase from 88% in Q3.

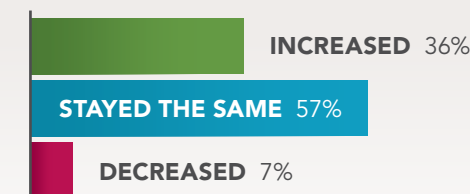
TURNOVER AND NET PROFIT ESTIMATIONS AND PREDICTIONS



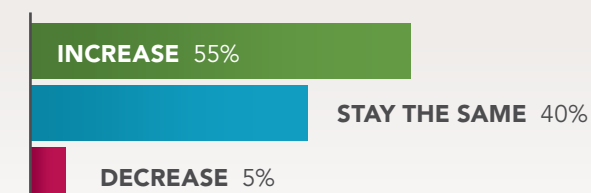
Added to this, 53% of respondents expect turnover to increase, and 44% expect net profit to increase over Q1 2020.

EMPLOYMENT OUTLOOK

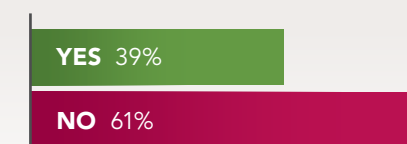
CHANGE TO EMPLOYEE NUMBERS OVER Q4 2019



EXPECTED CHANGES TO EMPLOYEE NUMBERS OVER THE NEXT 12 MONTHS



NUMBER OF BUSINESSES WITH VACANCIES ADVERTISED CURRENTLY

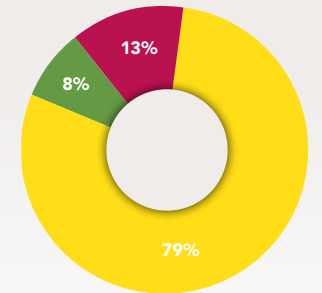


While there is a decline in respondents reporting an increase in employee numbers in Q4 at 36%, from 49% in Q3, we do see an increase in responding businesses indicating that employee numbers have stayed the same in Q4, at 57%. With this we see 55% of business also reporting that they expect employee numbers to increase over the next 12 months, at 45% in Q3. The

latest quarter also reported 39% of businesses as having open vacancies, with 28% reporting of these reporting difficulty filling these roles (i.e. remaining unfilled for greater than 3 months since initial advertisement). This is mostly in the area of engineering across a range of areas (namely chemical, process, software, quality and electrical) as well as more generally a shortage of skills at experienced managerial level.

CONFIDENCE IN THE IRISH ECONOMY

Very Confident
Confident
Not Confident
Same 0%



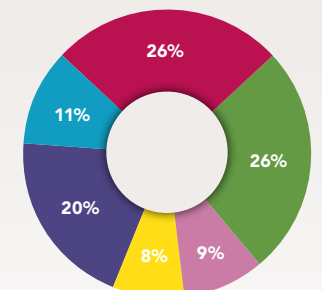
In the previous Q3 survey results, 3% of respondents reported as very confident in the Irish economy, rising to 8% in Q4. We also report a rise in those reporting as confident from 60% in Q3 to a high of 79% in Q4. Most notably we have a decrease in those reporting as not confident from 37% in Q3 to 13% in Q4.

TOP 3 THREATS TO BUSINESS GROWTH

1. Brexit
2. Skills Availability
3. Changing consumer spending / reduced orders

RESPONDING BUSINESSES

Sole Trader
Micro Enterprise (2-10)
11-50
51-100
101-200
201+



The responding businesses represent a broad range of sectors: Industry/ Manufacturing (3%); Science & Technology (17%); Tourism, Travel Culture & Arts (9%); Construction (8%); Multisectoral (10%); Services incl. financial (43%); Transport (4%); Agriculture & Fishing (incl. food ingredients) (2%) and Digital Economy (4%).

We thank members for your valued insights and engagement with this survey. Your participation is key. All previous quarterly economic surveys can be found on www.corkchamber.ie.

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