



International Ministerial Implementation Group

23 March

Time 10.30 | COBR F, 70 Whitehall

STEER

- This substantive issues that this meeting will consider are a review of actions, including an update on airline industry - no papers have been provided for this update; the global international economic response; and the medical supply chain.
- There is limited direct NI-specific interest in this agenda, but you may wish to:
 - note the importance and sensitivity around airline support in Northern Ireland given its unique connectivity challenges within the UK and the recent loss of Flybe; and
 - note the importance of close coordination with the Irish economic response given that any UK or NI Executive response will inevitably be compared with the response in Ireland, and because the Irish economic response will impact on some businesses operating on a cross-border basis. The papers provided assess the response by G7 countries. You could suggest that going forward, this is expanded to include analysis of the Irish response.

POINTS TO MAKE

- On **airline support**, air connectivity plays an essential part in supporting Northern Ireland's economy, but also in enforcing the emotional connection to the rest of the UK. Any measures we take in relation to the aviation industry must take into account Northern Ireland's unique circumstances - the physical divide of the Irish Sea - and to avoid the sense of 'disconnection' which is a fear that has been vocalised in the Unionist community.
- On **international economic response**, I welcome the robust and forward leaning economic response that the Chancellor has announced - and I have written today about the importance of that package for Northern Ireland. The assessment of the G7 international response is helpful.
- We should be mindful of the **particular relevance of the Irish economic response** - our response, and that of the Northern Ireland Executive will inevitably be compared to the Irish response. And the Irish response will have particular relevance for NI businesses and supply chains.
- I would **suggest then that we add Ireland** to the list of countries in papers assessing the international economic response going forward.
- It will be important to work closely with the Irish Government on any response to [the closing of the short straits / the queues at Calais]. Any decisions regarding **medical supply chains** must bear in mind the added complexity of shipping goods from Great Britain to Northern Ireland; and that many of Northern Ireland's supply chains are North-South on the island, as well as across the UK.

Background

Aviation

1. Reduced demand for air travel is affecting airports as firms are curtailing business travel. The impact has been felt initially on airlines (who are estimating losses of £100m per week in the UK). Flybe went into administration last month, resulting in the loss of 190 jobs in NI and the cancelling of 80% flights from Belfast City Airport, the firm reported COVID-19 as a factor - analysis is that this accelerated rather than caused their demise. This is also having a knock-on effect for airport workers, including 90 proposed redundancies at Swissport and two outlets closed at City Airport (affecting 35 staff). The (anticipated) grounding of most international flights will also increase pressure.
2. Further to this there are other businesses that rely on air travel that will also be affected (concessions within airports, travel operators etc). For example, the travel company which bought Thomas Cook, Hays Travel, took on 2,330 former Thomas Cook employees in October last year, and have now announced they may need to lose 880 jobs as holidays are cancelled.
3. On 20 March, Executive ministers met with the Chief Executives of NI's three airports: Belfast City, Belfast International and City of Derry airports. Together they called on the UK Government to provide an immediate support package for the aviation sector to include emergency financing, suspension of regulatory costs and deferral of payments including VAT and corporation tax.

Medical Supply chains

4. Much of NI's medical supplies are imported into NI, with many being transported via GB (including the short straits) and Ireland. Any disruption to ports may have an impact on supplies into NI.
5. We are linked in to cross Whitehall discussions on **short strait disruptions** - led by the Department for Transport (DfT). Focusing on ensuring that key supplies are transported from mainland Europe to GB, including to NI - medical supplies will be prioritised. Options, including using the army, if necessary, are being considered.