



9th March 2016

AIB chairman Richard Pym warns Brexit represents “a huge risk” for Ireland

- **Former Chancellor of the Exchequer Kenneth Clarke puts case for staying in EU**
- **Lord Mayor of London’s economic adviser Dr. Gerard Lyons puts case for leaving**

The risks and advantages of Britain leaving the European Union were aired during a debate this morning hosted by AIB chairman Richard Pym ahead of the British referendum scheduled for June 23rd this year.

Noting that “Brexit represents a huge risk for Ireland,” the AIB chairman said AIB had invited keynote speakers Kenneth Clarke and Gerard Lyons to address an audience of 350 AIB customers and guests so they could hear directly the British arguments for and against leaving the European Union.

Speaking at the Convention Centre Dublin, the former Chancellor of the British Exchequer, Kenneth Clarke, who has always represented a pro-European position in the Conservative Party, said: “The risk of a possible Brexit could pose enormous problems for the UK. I think it would pose enormous problems for the Republic of Ireland as well and so far most electors in Britain have not been made aware of that.”

Dr. Gerard Lyons, an international economist and chief adviser to London Lord Mayor Boris Johnson, made the case for the UK leaving the European Union.

“The EU has not embraced reform, does not address its problems like youth unemployment or migration and, at its core, the euro is a fundamentally flawed economic idea, held together for now because it is a political project,” Dr. Lyons said.

“The UK faces a choice between remaining in an unreformed, inward looking and insular EU or seizing the opportunity to embrace Brexit, restore its sovereignty and take a global approach. Brexit is unequivocally better for the UK economy than the alternative of remaining in an unreformed EU,” he said.

Dominick Chilcott, British Ambassador to Ireland, said the British government’s position is “to support the case for the UK remaining a member state of a reformed EU.”

Simon McKeever, Chief Executive of the Irish Exporters Association and one of the panel of Irish experts responding to the keynote speakers, addressed the implications for Irish businesses.

“The prospect of a Brexit is all too real. The uncertainty ahead of the UK referendum has caused a sell-off in Sterling, resulting in our exports being 10.5% more expensive in the UK than they were only last November. Should the UK vote to leave the EU and subsequently fail to secure equally favourable trade terms with it, the knock on effect on Ireland could be quite damaging in the medium term. Any

re-imposition of tariffs between the EU and UK could affect our cost-competitiveness as one third of our imports come from the UK. With over 70% of our exports concentrated in three core markets, notably the EU, UK and US, the potential risks associated with a Brexit make it imperative that we as a nation take further steps to diversify our export markets and in particular to increase our focus on high growth and further away markets.”

ENDS

About the keynote speakers:

Kenneth Clarke MP has been the Member of Parliament for Rushcliffe since 1970. He held Ministerial office in successive Conservative Governments as Secretary of State for Health, Secretary of State for Education and Science, Home Secretary and Chancellor of the Exchequer.

Dr. Gerard Lyons is a leading global economist widely respected for his understanding of macro-economic trends and the accuracy of his forecasting. He has served as Chief Economic Advisor to London Mayor Boris Johnson since 2013. Previously, Gerard spent 25 years in senior roles in The City.

Further information: Kathleen Barrington, AIB Press Office: 01 641 4563