



OCO GLOBAL

DOUBLING DOWN ON THE GOOD FRIDAY AGREEMENT

With the 25-year anniversary of the Good Friday Agreement (GFA), approaching, Mark O'Connell Chair of OCO Global, a NI-based trade and investment advisory firm established shortly after the agreement in 2001, reflects on how various aspects of the economy have evolved since the historical agreement:

Overall, in the last 25 years Northern Ireland's economy has at least doubled across most of the significant indicators. The region has been transformed by outside investment, trade, tourism and infrastructure development which has increased prosperity, life expectancy and attracted new residents. This is evident across a number of development pillars:

TOURISM THE ROAD LESS TRAVELLED

Peace and stability have really transformed the tourism picture in Northern Ireland.



Passengers through our airports doubled from **4.4m** in 1998 to **8.8m** in 2019



Overseas visitors increased from **1.3m** to **3m**



Hotel occupancy rates increased from around **50%** pre GFA to **67%** by 2019



We have **73** scheduled air routes in 2022 compared to **21** in 1998



146 cruise calls with **280,000** visitors in 2019 compared with just **2** calls and **1050** visitors in 1998



Major events like MTV Music Awards 2011, Giro 2014, Tall Ships and the British Open in 2019 have really put the region on the map in a hugely positive way



Game of Thrones, The Fall and Belfast have brought new and younger demographics to visit Northern Ireland and tourism trails related to our history, culture and landscape have grown exponentially



Belfast is hip and cool according to the travel guides such as Conde Nast, CN Traveller and Big 7 Travel

ECONOMY

SHIFT FROM PUBLIC TO PRIVATE SECTOR



GDP in Northern Ireland has grown from **£19.8bn** in 1998 to **£43.7bn** in 2020 (latest available data)



At the same time GDP per capita has grown **£13,391** per capita in 1998 to **£25,575**, one of the largest improvements in any region of the UK



NI exports have grown from **£5.3bn** to **£12.2bn**, of which ROI sales have grown from **£5.1bn** to **£7.7bn**

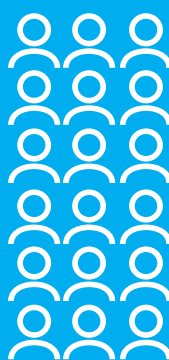
The largest employers in 1997 compared to 2019 tell the story of an economy in transition.

1997		Employees	2019		Employees
1	Short Brothers PLC.	6,058	1	Tesco	10,779
2	Desmond & Sons Ltd.	3,679	2	Moy park	4,958
3	Queen's University of Belfast	3,045	3	Queen's University of Belfast	4,000
4	University of Ulster	2,962	4	ASDA	3,736
5	British Telecom Northern Ireland	2,810	5	Spirit AeroSystems	3,718
6	Stewarts Supermarkets Ltd.	2,698	6	Four Seasons	3,639
7	Adria Ltd.	2,682	7	Henderson Group	3,597
8	Moy Park Ltd.	2,565	8	Almac	3,400
9	Super Valu Distribution Ltd.	2,551	9	Teleperformance	2,898
10	Northern Ireland Electricity PLC	2,254	10	BT	2,854

INVESTMENT

GLOBAL CENTRE OF EXCELLENCE FOR TECH, CYBER AND OUTSOURCING

Twenty years ago foreign investment was producing **25-30** new establishments and expansions, creating some **1,100** jobs each year



Today FDI typically delivers **35-40** projects and **1,600** jobs each year

Manufacturing FDI has declined while software and technology investment in cyber, fintech and analytics is on the rise with FDI heroes like Liberty, All State, FinTru and Fujitsu as well as home grown successes like Kainos, Concentrix and Learning Pool.

Property investment was a mere £30m in 2011 while over the next 12 years more than £2.7bn was invested. Commercial rents have doubled from £12 to £23 psf.

£2.7bn
invested 2012-2023

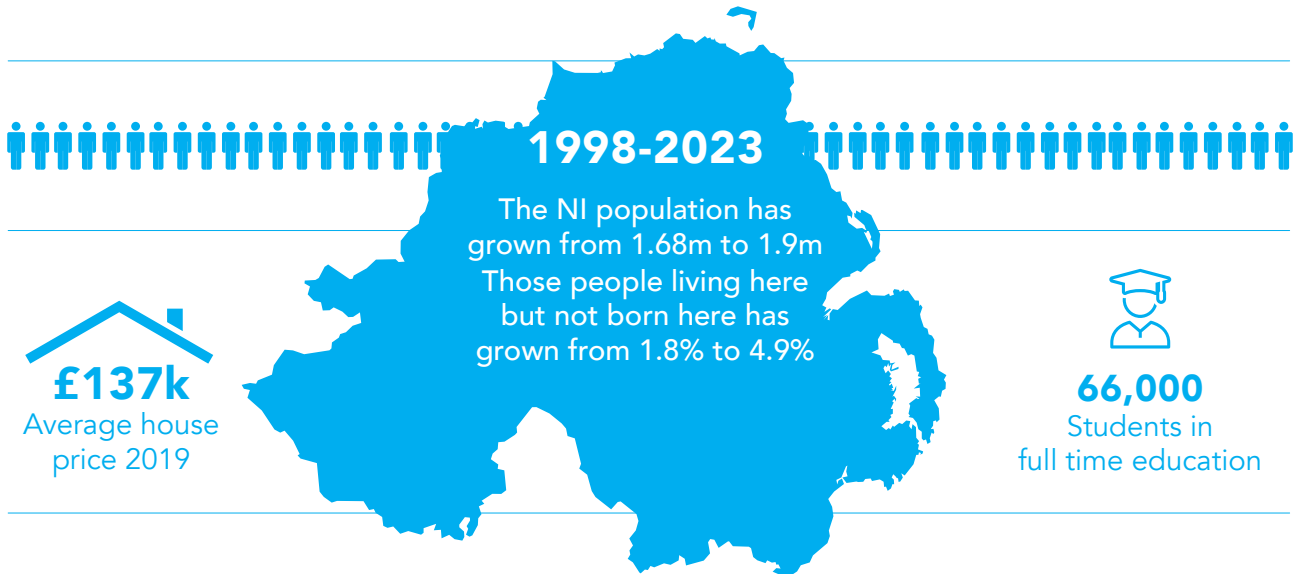


Interestingly retail rents have failed to keep up and have reduced from £150psf to £125psf which tells a broader story about the decline of high streets and the impact of the Pandemic. However, this figure hides significant increases up to 2008 (which peaked at £275psf).

Increased supply of retail space (e.g. Victoria Square) helped drive prices down again to £112 psf by 2013. But there was significant growth in big brands entering Belfast around this time and by 2013 prices started going up again.

LIVEABILITY HAPPIER, WEALTHIER AND HEALTHIER

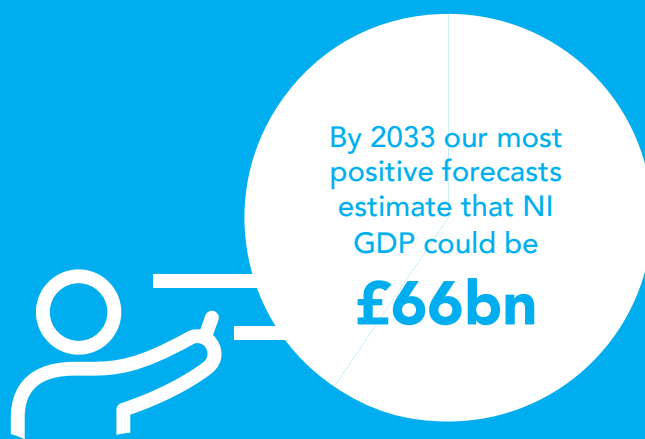
The NI population has grown from 1.68m to 1.9m in 25 years while those people living here but not born here has grown from 1.8% to 4.9% which has shifted traditional voting patterns. Residents reporting that they are in good health has grown from 70% to 79%. And with a pint of beer costing £5.25 in 2022 compared with £1.87 in 1999, it is amazing that we're still drinking at all!



In 1999 the average house price in NI was £63k, and by 2019 it was £137k. There are 66,000 students in full time education today compared with 43,000 in 1999. 14,000 of these of these are foreign students compared with 5,600 in 1999 who pay more for their fees, spend more in the local economy and are likely to stay or maintain long term links with the region opening new trade and investment connections.

DAYS LIKE THESE

As the Van Morrison song goes, "Wouldn't it be great if it was like this all the time?". It can be. Doubling down on the commitments and shared island dimension of the GFA enhanced by a unique dual market access proposition via the Northern Ireland Protocol / Windsor Framework could again accelerate the size and prosperity of the NI economy, not in 25 years but in 10 years.



a 50% increase with the Protocol / Windsor Framework operating effectively

- 32,000 new jobs from FDI
- Tourism numbers up to 5.7m
- 10% increase in flight connectivity
- 0.1% increase in productivity
- + £100m of Horizon funding building on the £95m that was received in 2020

OCO GLOBAL'S VISION FOR 10X AMBITION



ocoglobal.com

OCO GLOBAL