

Churchill on Russia

“A riddle, wrapped in a mystery,
inside an enigma”

The Key:

“National Self Interest”

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Brexit

- Chimera
 - Hybrid
 - Lion, snake, fire-breathing goat
 - Fantasy



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Hard and Soft Brexit?

Biggest Value-add in Tourism is Sales

- Biggest danger for this process is a breakdown in the VAT arrangements

Most important component are people

- Catastrophic impact in terms of people working in tourism both in the UK and in EU

Brexit affect Business?

- Continued uncertainty
 - Decline in variety and volume of applications
- Investment (in UK) is suppressed

Change in Regulatory Landscape?

- Impulse towards harmonisation
 - No-one wants two sets of rules
- Anticipate Companies establishing EU offshoots
 - Four freedoms are hugely important for tourism businesses
- Reform still needed
 - PTD2 already obsolete
 - PTD3 needs to be under discussion immediately
 - How does UK become involved?

Will it affect growth?

Yes

We sell “Europe”, and in particular the European Service Economy

- Anything that adds administrative burdens and costs is harmful
- The less the UK is associated with Europe, lessens both Europe and the UK

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Main message for Negotiators

Maintain the status quo for as long as possible

Hope for a *Deus ex Machina*

– May come in the form of national self interest

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