



Rialtas na hÉireann
Government of Ireland

The Department of Business, Enterprise and Innovation – Working to Progress Ireland’s Trade and Investment Objectives

Developed by the Department of
Business, Enterprise and Innovation



Trade and investment missions raise Ireland's profile as a world-class supplier of goods and tradable services and contribute to the generation of incremental sales to foreign markets. Over the long term, they are the culmination of the success of our enterprise development policies on the ground.



**Developed by the Department of
Business, Enterprise and Innovation**

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Foreword

The Department of Business, Enterprise and Innovation, through its lead role in trade and investment policy, increases the productive capacity of the economy. Its focus on growing exports and driving investment supports more and better jobs across our cities and regions.

The Department is assisted in implementing these tasks by a number of its Offices and Agencies. It also works closely in trade and investment promotion with other Government Departments and their Agencies, including the Department of Foreign Affairs and Trade, the Department of Agriculture, Food and the Marine, the Department of Transport, Tourism and Sport and the Department of Education and Skills.

The purpose of this report is to outline how the Department, working with three of its Agencies, namely Enterprise Ireland, IDA Ireland and Science Foundation Ireland, strives to:

- enhance our ability to sell our goods and services into international markets;
- attract foreign direct investment (FDI) to Ireland; and,
- promote Ireland's reputation for scientific excellence and towards becoming a world leader in generating and using new knowledge for economic and social progress.

The Irish exporting landscape is strong and companies in Ireland are succeeding in winning business worldwide for their products and services. In 2019 the value of exports (goods and services) reached a record level of €366 billion, a 14% increase over 2018. This success is contributing positively to economic growth. With a small domestic market, the challenge for Ireland is to identify further markets into which we can expand.

FDI continues to be a key contributor to Ireland's economic development. Over 1,600 foreign owned companies have put down roots in Ireland and employ 10.5% of the Irish workforce. These include many of the world's most successful global businesses which have chosen Ireland as their strategic base in Europe.

Ireland has a growing reputation for scientific excellence and continues to rise in global rankings of scientific citations. Recognising that research and innovation are increasingly international and collaborative endeavours, we continue to increase our engagement with innovators and researchers globally.

In addition to outlining how the Department and its enterprise Agencies contribute to the achievement of our trade and investment goals, this report describes how our officials represent Ireland's trade and investment interests in relevant EU fora in Brussels and in the World Trade Organisation in Geneva, and in the capitals of key trading partners.

I hope this report provides you with a valuable insight into our work.



Dr Orlaigh Quinn, Secretary General
Department of Business, Enterprise and Innovation
March 2020



Chapter 1

Ireland's Trade and Investment Performance

1.1 Introduction

The mission of the Department of Business, Enterprise and Innovation, as outlined in its Statement of Strategy 2018-2021, is as follows:

“We will lead on the creation and maintenance of high quality and sustainable full employment across all regions of the country by championing enterprise and innovation across government, by supporting a competitive business base to incentivize work, enterprise, trade, innovation and investment and by promoting fair and competitive markets as well as best business practice through the regulatory and enforcement work of the Department, its Offices and its agencies.”

The Department, together with its Offices and agencies and working closely with stakeholders and across government, has played a major role in addressing the major challenges that Ireland has faced over recent years. This collaborative effort has contributed to a turn-around in the Irish economy, increasing the number of people at work and strengthening Ireland’s enterprise economy and performance. Employment is now at an all-time high with over 2.3 million people at work and with the unemployment rate having fallen to 4.8%.

Through its lead role in trade and investment policy the Department strives to increase the productive capacity of the economy. Working closely with other Departments and Agencies, we aim to maintain growth in exports and to continue to attract foreign direct investment across our cities and regions.

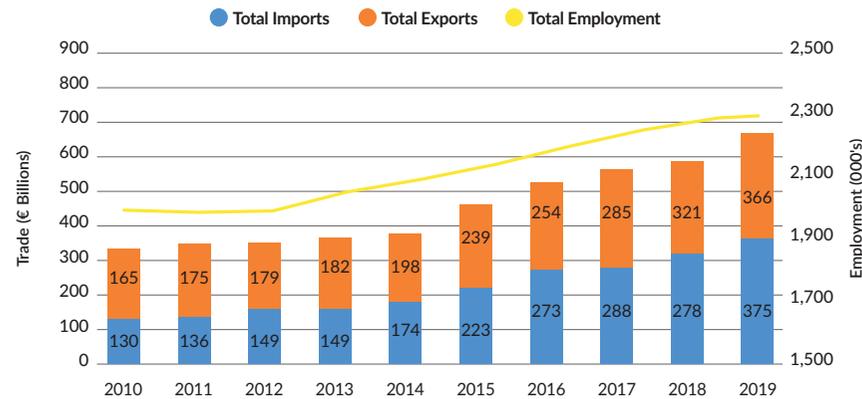
Table showing Employment Growth in Ireland from 2007 to 2019



Source: CSO 2019

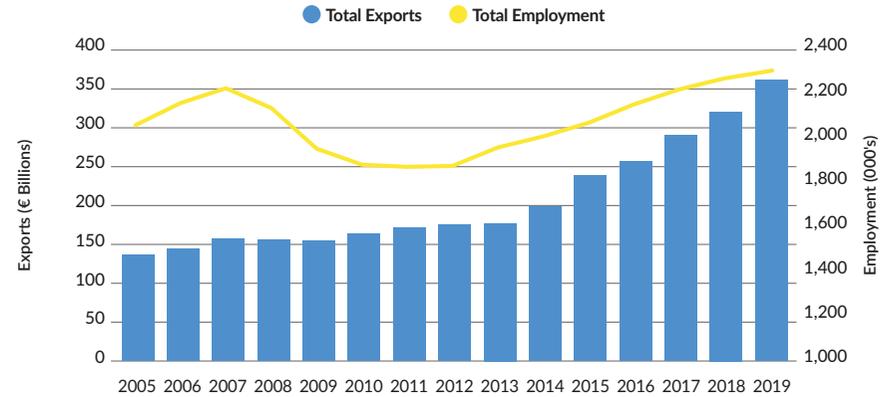
1.2 Growth in Exports

As a small open economy, Ireland relies on external demand and international markets for sustainable and continued growth. Trade has been one of the key drivers of our economic recovery.



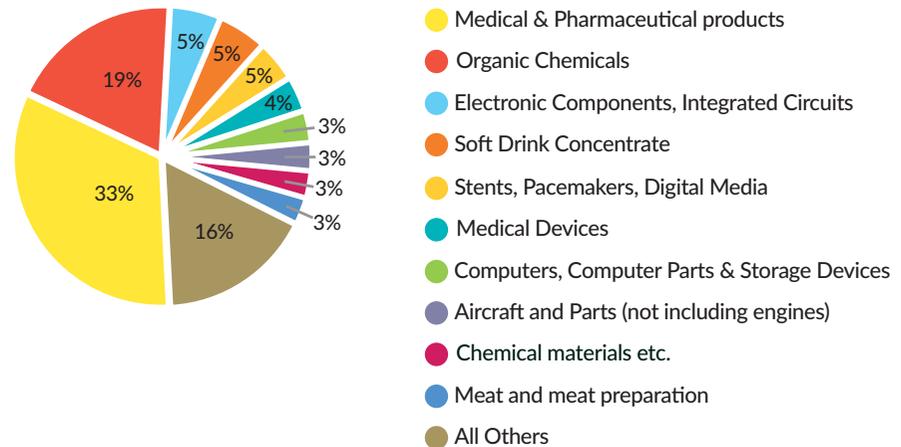
Exports lead to sustainable job opportunities and growth in revenues for firms beyond that available from the domestic economy while having a substantial multiplier effect across the entire economy in terms of jobs and tax revenues. Export growth in recent years has been exceptionally strong and exports continue to contribute positively to economic growth.

Total Exports and Employment



Exports are now at an all-time high. In 2019 the value of exports (goods and services) reached a record level of €366 billion, a 14% increase over 2018. Preliminary figures from the Central Statistics Office (CSO) for 2019 show that goods exports were valued at €152,572 million, the highest total on record. This is an increase of €11,928 million (+8%) over 2018.

2019: Goods Exports Categories

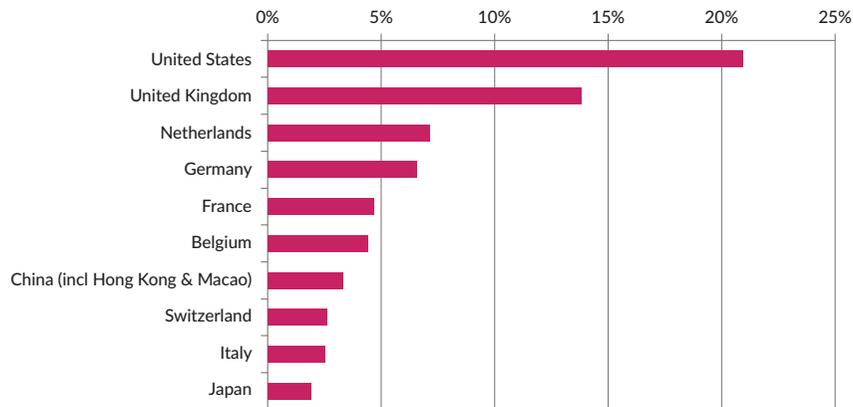


Source: CSO 2019

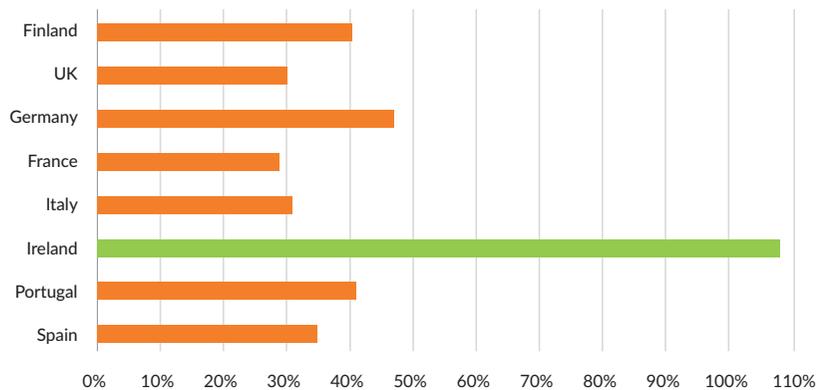
In 2019, the largest category of goods exports was medical and pharmaceutical products. Exports of these goods accounted for a third (33%) of all exports, or €49,655 million. This represents an increase of €3,454 million (+7%) on the 2018 value. CSO data released in February 2020 show that the EU accounted for €72,601 million (48%) of total goods exports in 2019, an increase of €1,930 million (+3%) on 2018.

Goods exports to non EU countries were valued at €79,972 million which is an increase of €9,998 million (+14%) on the 2018 level of exports. The USA was the largest non EU export destination, accounting for €46,938 million or 31% of total exports in 2019.

Ireland's Top 10 Trading Partners 2018 (Goods & Services)



Exports as a % of GDP



1.3 Goods Imports

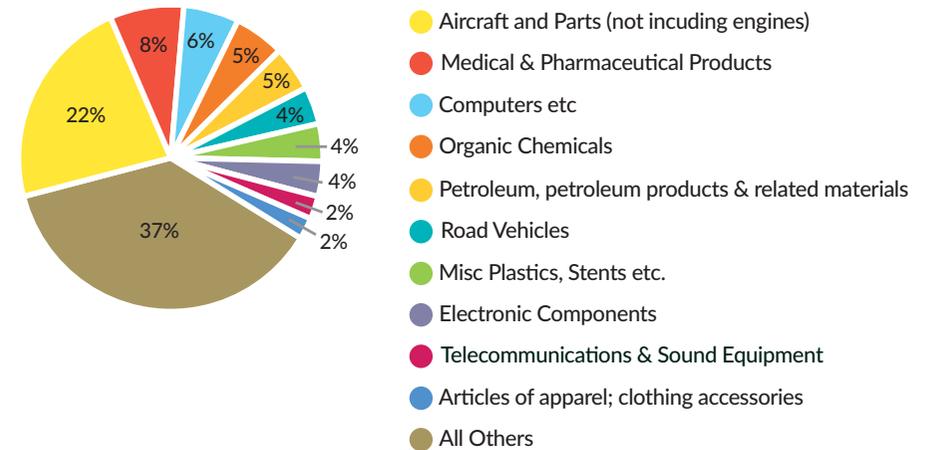
According to February 2020 CSO data, there were €52,970 million of goods imports from the EU in 2019, representing 59% of total Irish goods imports. This was a decrease of €1,370 million (-3%) on 2018.

Goods imports from non-EU countries totalled €36,218, a decrease of €1,394 million (-4%) on the 2018 level.

Imports from Great Britain in 2019 were valued at €18,746 million, an increase of €383 million (+2%) when compared with 2018, meaning there was a trade deficit of €5,221 million with Great Britain in 2019 (€13,524 million Irish exports).

Goods Imports from Great Britain accounted for 21% of total Irish imports in 2019.

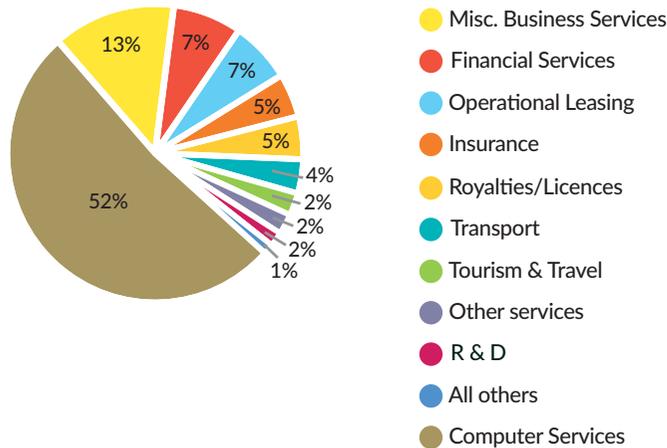
2019: Goods Imports Categories



Source: CSO 2019

1.4 Growth in Services Trade

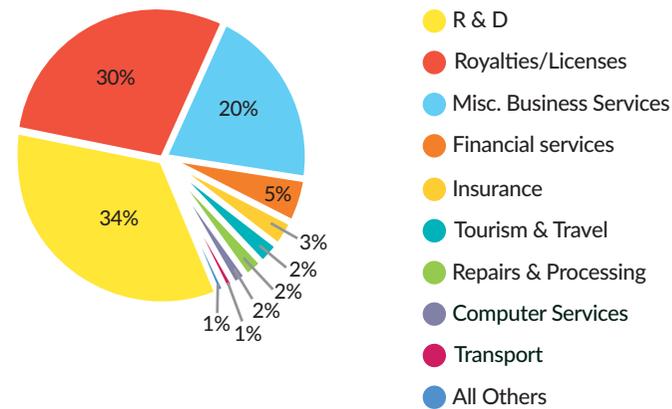
2019: Services Exports Categories



Ireland has been particularly successful in expanding its share of the world's services market in recent years. Total services exports increased by €33bn from €180.1bn in 2018 to €213.132bn in 2019. Total service imports were up from €185.6bn in 2018 to €285.986bn in 2019.

The increase in services exports was principally due to increased computer services exports (+€24.4bn) while the increase in services imports was predominantly due to increased R&D services imports related to Intellectual Property (IP).

2019: Services Imports Categories



1.5 Foreign Direct Investment

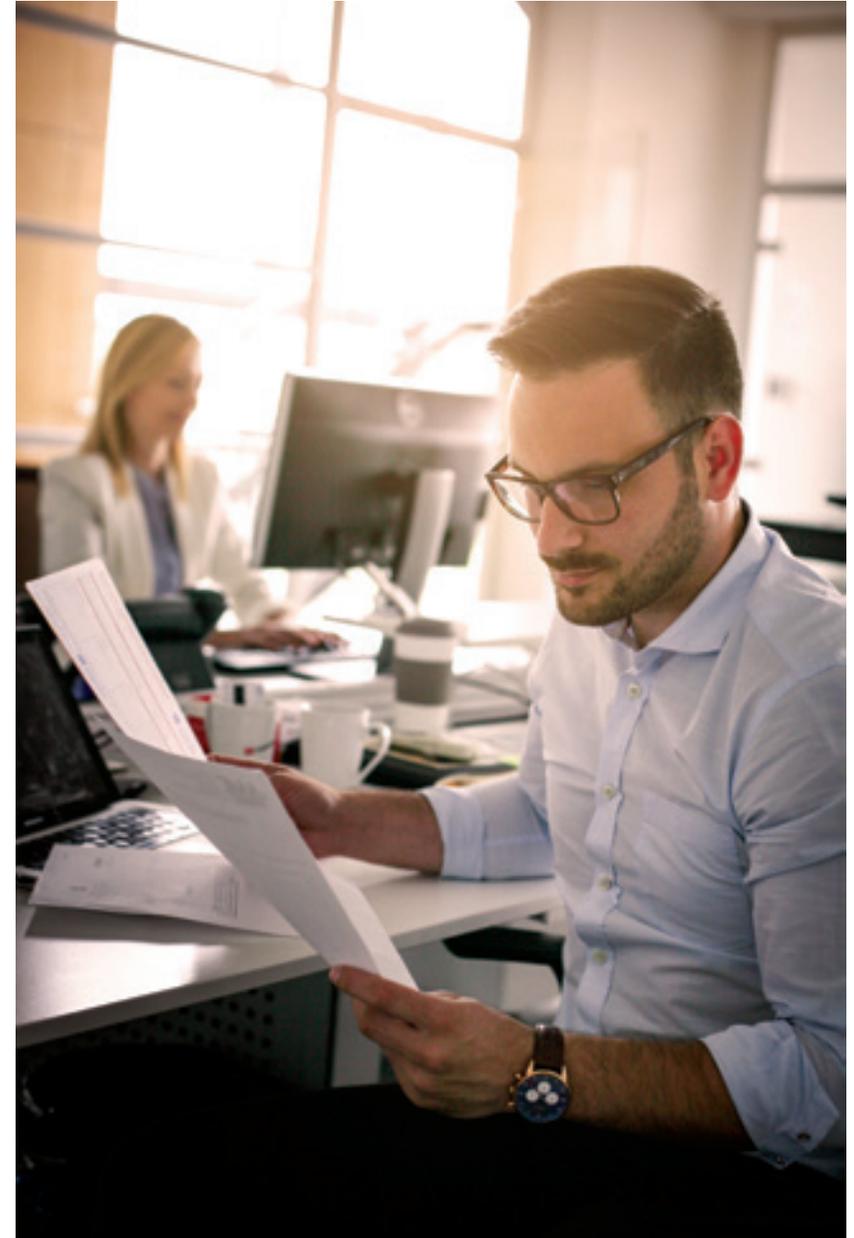
Foreign Direct Investment (FDI) continues to be a key contributor to Ireland's economic development and growth. There are now over 1,600 IDA Ireland supported client companies employing 245,000 people across Ireland. In 2018 the FDI sector experienced employment growth at 7% compared to the national average of 3%.

The attraction of Foreign Direct Investment (FDI) has been a central part of Ireland's enterprise policy since Ireland first took proactive measures to secure internationally mobile investments in the 1950s.

Companies choose to invest in Ireland for a variety of reasons but primarily, because Ireland is regarded and regularly ranked as one of the best places in the world to do business. They are drawn by Ireland's young, highly-educated, highly-skilled, multi-lingual work force, our membership of the European Union, the strong base of existing FDI companies, the proximity to the European market, a consistent, attractive tax regime of 12.5%, a much-improved cost competitiveness and a safe and secure Common Law jurisdiction.



Multinational Companies (MNCs) invest approx. €21.5bn directly in the Irish economy, including expenditure on Irish materials and services totalling €8.2bn and an annual payroll spend of €13.3bn. In addition, MNCs inject capital expenditure of €5.9bn approx. on new buildings, machinery and equipment, leading to high levels of employment in the construction sector. FDI companies exported 68% of all national exports in 2018 (€218.7bn)



A man in a dark suit and light-colored trousers is walking away from the camera through a busy airport terminal. He is pulling a dark rolling suitcase and has a bag slung over his shoulder. The terminal is filled with other people, some with luggage, and there are various signs and advertisements visible in the background. The lighting is bright, typical of an airport interior.

Chapter 2

Trade and Investment Missions

2.1 Trade and Investment Missions

The UK's decision to leave the EU has highlighted the need for Irish companies to seek business opportunities in markets beyond the UK. While the UK is, and will remain, a major market for Irish companies, expanding the Irish export footprint in markets beyond the UK is a key priority. In that context, our strategy is to support Irish exporters to be more innovative, competitive and market diversified.

Ministerial-led trade missions support the Government's major drive towards market diversification. The majority of trade missions are taking place to the Eurozone, North America, the Gulf and Asia Pacific: regions which represent the strongest growth opportunities for Irish companies. Their focus is on promoting the innovative capabilities and competitive offerings of Irish companies to international buyers in sectors including internationally traded services, Fintech, High-Tech Construction, Engineering, ICT and Life Sciences.

The organisation of the annual programme of Ministerial trade missions is an integral part of the work of the Department and its enterprise agencies - Enterprise Ireland and IDA Ireland - who work to develop and expand Ireland's export and inward investment from existing and new markets abroad.

Trade and investment missions are a global Ireland effort; together with the Department of Foreign Affairs and Trade and Ireland's Embassy and Consulate network, our teams work closely together to ensure their success.

In recent years, our approach has proven to be very successful in terms of establishing Ireland's credibility with, and gaining access to, the business community in the target market at the appropriate level. Trade missions raise Ireland's profile as a world-class supplier of goods and tradable services and contribute to the generation of incremental sales to foreign markets. They also provide Ireland with a platform in a competitive foreign direct investment climate to encourage overseas HQ companies to invest and expand into Ireland. It can provide comfort to investment decision makers that Ireland is the right choice of location and that Ireland can offer them the business environment to make their investment a success.

The Department and its agencies worked together to organise 13 Ministerial led trade missions throughout 2019. Some of the key achievements of these missions are set out in the following paragraphs.

2.1.1 Australia/Singapore (13–20 March 2019)

Enterprise Ireland client exports to Australia reached €253 million in 2018, an increase of 43% over the previous three years. Despite the long distance to market, both Australia's and Singapore's open and advanced economies, together with their strategic location at the doorstep of the Asia Pacific region, has led many Irish companies to enter and perform strongly in both markets.

Irish companies, mainly from the Fintech, Medtech, High-Tech Construction, Agritech, Emerging Technologies and ICT sectors, participated in the trade mission to Australia and Singapore in March 2019. Also, during this mission, Enterprise Ireland's new office in Melbourne was officially opened. This is the agency's second office in Australia and will serve to further increase exports and to support clients to expand in Australia and the wider Asia Pacific region.

From a foreign direct investment perspective, IDA has executives located in Australia and Singapore. To date twenty-three Australian companies have Europe, Middle-East and Africa (EMEA) operations in Ireland.

Over \$10 million AUD (€6.2 million) in new contracts for Irish companies were agreed during the trade mission to Australia and Singapore. The size and scope of this trade mission demonstrates now, more than ever, in a Post-Brexit environment, the importance of identifying new trade and investment opportunities.

2.1.2 Manchester, Birmingham and West Midlands in the United Kingdom (10–12 April 2019)

The long-term response to Brexit is for companies across all sectors to become more competitive, more innovative and to diversify their export footprint into more international markets. In 2018, the dependency on the UK as a destination for Enterprise Ireland client company exports reduced to 33%, down from 44% in 2007.

Notwithstanding the foregoing, the UK is, and will remain, a major market for Irish companies. Fifty-five Enterprise Ireland clients accordingly participated in a three-day trade mission to the UK in April 2019. The mission focused on two major growth areas: Manchester, as part of the “Northern Powerhouse” and Birmingham and the West Midlands, as part of the “Midlands Engine”. The Northern Powerhouse is a particularly dynamic region in the UK, growing at a faster rate than London in recent years. If it were a country it would be the 10th largest economy in Europe. The Northern Powerhouse and Midlands Engine are both major centres of the UK’s manufacturing activity.

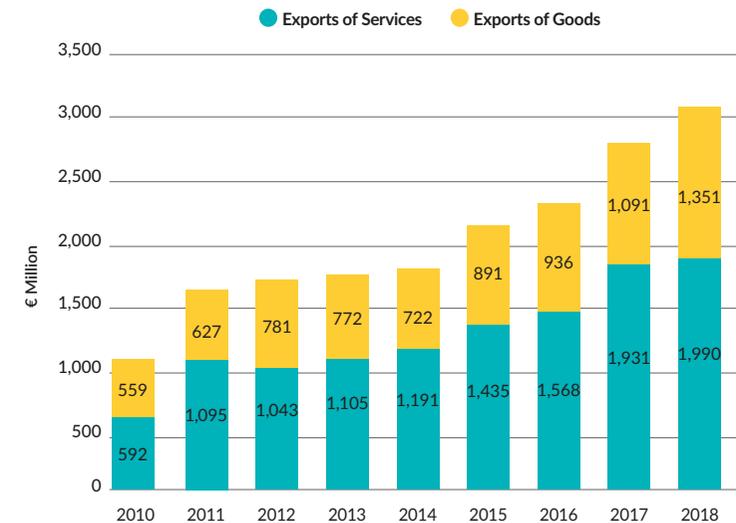
During this mission Enterprise Ireland’s office in Manchester was opened, the agency’s second office in the UK. This new office will play an important role in further increasing exports and providing support to clients to expand their reach in the Midlands and Northern UK region.

2.1.3 Canada (20–24 April 2019)

The aim of this mission was to develop new opportunities to boost trade and investment links between Ireland and Canada with a particular focus on key sectors including Technology (IoT, Security, Fintech), Construction, Education and Retail. Twelve companies participated with the objective of promoting the world class capabilities of these companies to Canadian business leaders.

The mission also sought to promote the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada, particularly from a ‘new opportunities for Irish companies’ perspective.

Exports from Ireland to Canada



Canada is Ireland’s nearest English-speaking neighbour to the west and both countries have deep-rooted ties on which to build new business opportunities. Irish - Canadian trade is currently valued at €2.75 billion. Under CETA 90% of all tariffs on industrial goods between the EU and Canada will be eliminated with Ireland’s exports expected to grow by €250m.

2.1.4 New Zealand (8–18 June 2019)

With a clear focus on assisting Irish companies to diversify into new markets, eleven Enterprise Ireland client companies participated in a trade mission to New Zealand in June 2019. This mission provided the opportunity to explore how to further strengthen New Zealand and Ireland’s economic ties, while also enabling an exchange of views among Government officials on the enhanced trade opportunities that will flow from the trade agreement that is being negotiated between the EU and New Zealand.

IDA Ireland has been actively targeting New Zealand companies in the Technology, Agri-Tech and Medical technology sectors to consider Ireland as their home for European operations. A highlight of the trade mission was the visit to Field Days, the Southern Hemisphere’s largest agricultural trade show.

Case Study: Canada

There are currently 29 IDA Ireland Canadian client companies employing 2,519 people in Ireland. Of these, 17 are located either in Toronto or within 100 km of the city. The establishment of IDA Ireland's office in Canada enables the agency to develop and deepen linkages with existing clients and target more effectively new name companies within the Canadian market.

The Province of Ontario, of which Toronto is its capital, accounts for 52% of all global Canadian FDI projects. IDA Ireland competes for FDI with several competitor Investment Promotion Agencies from other countries who are also located in Toronto.

To date, IDA Ireland's strategy was to target Eastern Canada from Boston and New York and Western and Central Canada from California and Chicago. The establishment of a market presence in Toronto will greatly strengthen IDA's capability to attract FDI from Canada to Ireland.

IDA has one executive assigned to its Canadian Office, with plans to assign a second executive. In seeking to attract FDI from Canada, IDA Ireland works closely with, and leverages support from, other Departments and Agencies who have a presence in Canada.

2.1.5 USA - Nashville and New York (5-10 September 2019)

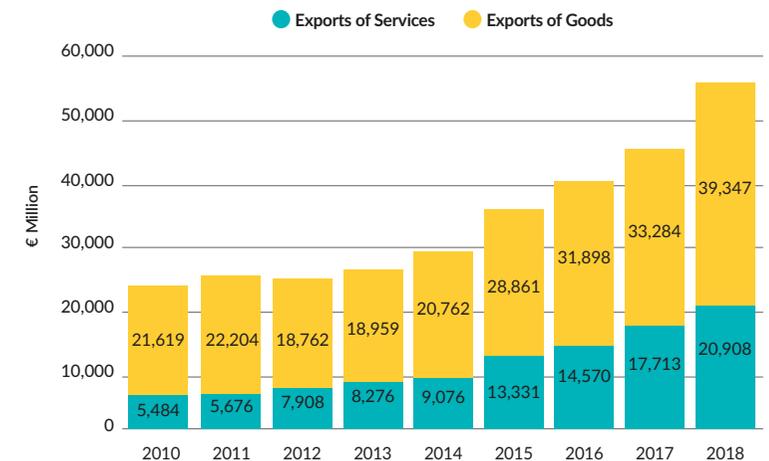
The aim of this trade mission was to strengthen economic ties with Nashville, a rapidly expanding economic growth centre in the United States, and the city of New York, a well-established centre of Irish trade and investment.

As the world's largest consumer market globally, the US is a key economic partner for Ireland and the perfect launch pad for Irish businesses who wish to scale and develop a presence within their sector overseas. Irish companies employ over 100,000 people across the 50 States, with 85,110 of these employed by Enterprise Ireland client companies.

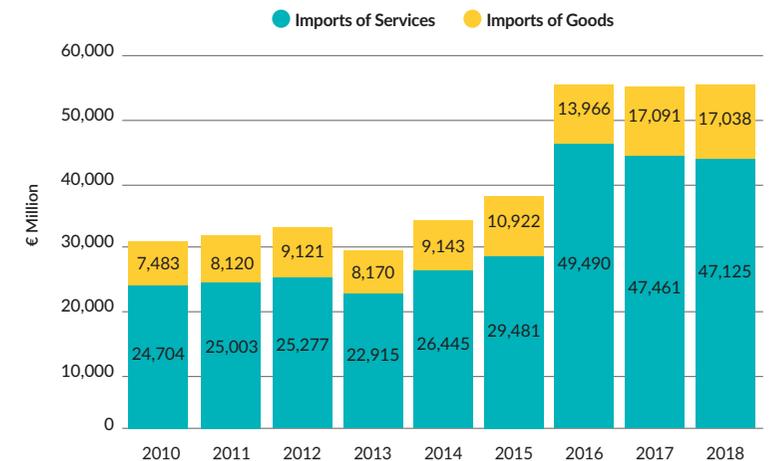
The US is the single largest source of Foreign Direct Investment (FDI) in Ireland. 766 US corporations employ over 160,000 people directly in Ireland and US corporations account for over 70% of total inward investment employment in Ireland.

Competition for foreign direct investment has never been as intense and this investment mission provided a forum for IDA Ireland to increase awareness of Ireland's suitability as a place to invest. This mission helped to build relationships with new clients, to generate new investments for Ireland and deepen relationships with the parent companies of existing clients.

Exports from Ireland to the US



Imports from the US to Ireland



Case study EU Japan Economic Partnership Agreement in Focus: Benefits to Ireland.

The Economic Partnership Agreement between the EU and Japan came into force on February 1st, 2019. This Trade Agreement opens a new marketplace of 635 million people and covers almost a third of the world's GDP.

Japan is Ireland's 3rd largest trade partner outside the EU and the 2nd largest in Asia. Ireland's goods trade with Japan was close to €5bn in 2018 and services trade amounted to €6.5bn.

Over 50 Indigenous Irish companies have representation in Japan, with more than 150 regular exporters to the Japanese market.

Japan is an attractive market for exporters:

- It is the third largest economy in the world,
- There are 126m wealthy consumers,
- It is a technologically advanced economy with a large manufacturing sector.

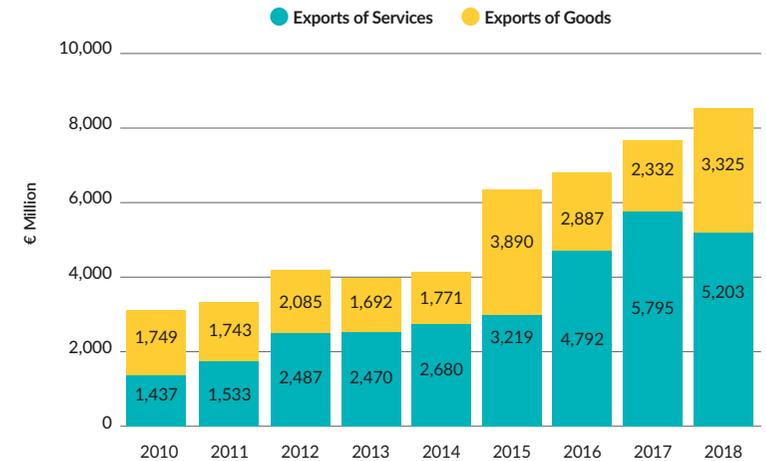
For Irish companies the Agreement will have a number of impacts:

- 97% of all tariffs eliminated. This equates to duty savings of over €1bn on EU goods. Beef duties will dramatically reduce from 38.5% to 9% and the duty on cheddar will be scrapped.
- Geographical Indicators have been recognised meaning that descriptions such as 'Irish Whiskey' and 'Irish Cream' can only be used by genuinely Irish products.
- In the large Japanese Public Procurement market Japan has made significant changes. Irish companies can bid on an equal footing as Japanese firms for contracts with more government agencies and 54 large Japanese cities.
- The Agreement has advanced provisions for the delivery of services. This includes easier mechanism for business travel visas and a framework for the recognition of qualifications.
- For medical devices, Japan has adopted the international standard on quality management systems (QMS) on which the EU QMS system for medical devices is based. This considerably reduces the costs of certification of European products exported to Japan.

In pharmaceuticals, the EU and Japan have agreed to broaden the range of medicines for which they will recognize each other's inspection of manufacturing sites. The Mutual Recognition Agreement allows regulators to waive batch testing on Irish medicines entering Japan.

2.1.6 Japan (14-18 October 2019)

Exports from Ireland to Japan



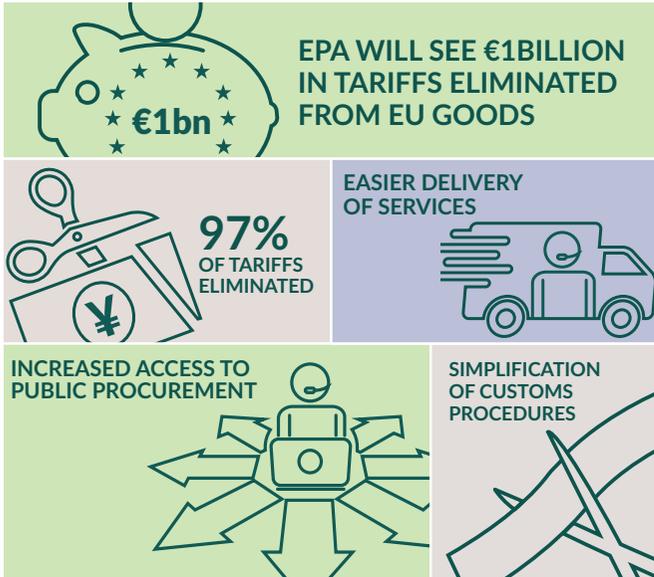
This mission outlined, yet again, how the Department and its agencies, in preparation for Brexit, are supporting Irish exporters to diversify beyond the UK and seek opportunities to grow their business in priority markets in the Asia Pacific Region.

This mission afforded IDA Ireland an opportunity to promote Ireland as a gateway to Europe for Japanese investors. IDA has over twenty-nine Japanese clients with operations in Ireland. Fifty Enterprise Ireland supported companies participated in the trade mission; these companies have a strong focus on Financial Services, Life Sciences and Digital Technologies. Asia Pacific is one of the fastest growing regions for Enterprise Ireland supported companies.

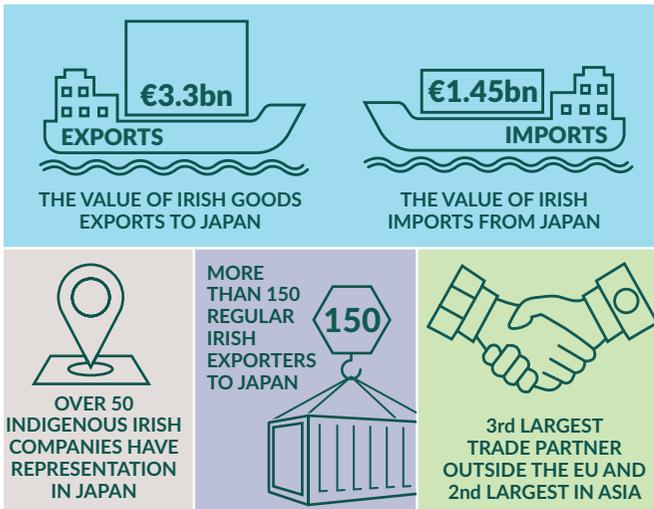
The trade mission took place following the coming into effect of the EU-Japan Economic Partnership Agreement (EPA) on 1 February 2019. EU firms already export over €58bn in goods and €28bn in services to Japan every year and Ireland views the economic partnership pact (EPP) as a key instrument in helping to further increase trade with Japan.

JAPAN EPA

The Economic Partnership Agreement (EPA) is a trade agreement between the EU and Japan which came into force on 1st February 2019.



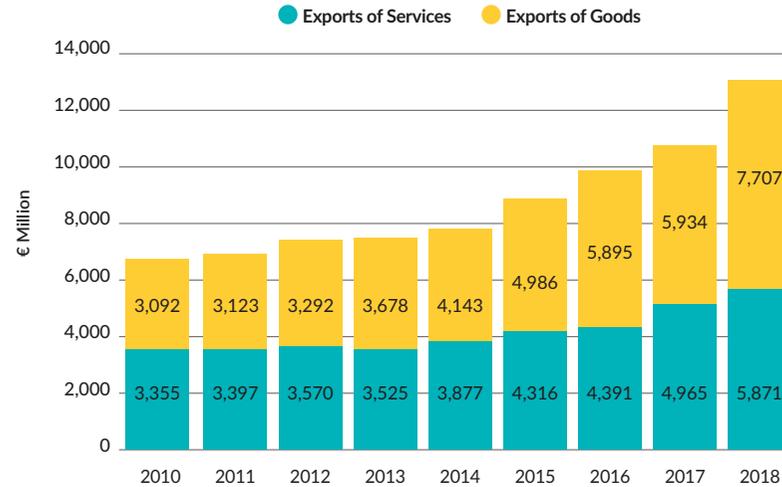
JAPAN-IRELAND TRADE



Source: DBEI 2019

2.1.7 Netherlands (29-30 October 2019)

Exports from Ireland to the Netherlands



Exports from Enterprise Ireland supported companies to the Netherlands now exceeds €1bn, more than doubling in areas such as construction technology, as EI backed client companies continue to support the delivery of some of the Netherlands' biggest data centre and life science projects.

In order to maintain this success, twenty Enterprise Ireland supported companies, with a focus on the construction sector, participated in the trade mission to the Netherlands in October 2019.

During this two-day trade mission, Enterprise Ireland client companies had an opportunity to engage with their Dutch counterparts on the future of construction. A seminar in Delft University of Technology, which was arranged by Enterprise Ireland in collaboration with the Dutch construction associations Bouwend Nederland and the Dutch Datacentre Association, enabled Irish companies at the cutting edge of high-tech construction to show case their reputation for the design, build and fit out of complex data centre and pharmaceutical manufacturing construction projects.

As Brexit becomes a reality, trade and investment missions to eurozone countries such as the Netherlands highlight the importance of strengthening trade and investment linkages with countries in the Eurozone.

2.1.8 China (12–16 November 2019)

China accounts for 52% of Irish exports to the Asia Pacific region and 4.4% of Irish global exports. Enterprise Ireland supported companies exported over €1bn in goods and services to Greater China in 2018. Building on this strong growth and the potential for further expansion into this fast-growing market, Enterprise Ireland is setting ambitious targets to increase exports to China.

In order to deliver on this objective, a joint Enterprise Ireland and IDA Trade and Investment Mission to China took place from 12th to 16th November, 2019. The objective of the mission was to highlight the strong trade and investment links that exist between Ireland and China. From an exporting perspective, the mission served to promote Ireland as a source of world class products and services across a range of sectors, including Industrial & Life Sciences, Digital and Technology, Financial Services and Fintech. It also highlighted the success of Enterprise Ireland clients in the marketplace and the new Enterprise Ireland pathfinder presence under Global Ireland 2025 in Shenzhen. Seven Irish companies who are supported by Enterprise Ireland participated in the China Hi-Tech Fair.

From an Inward Investment perspective, the trade mission to China provided IDA Ireland with the opportunity to promote Ireland as a world class business location and to relay the strong message that Ireland is a gateway to Europe; an excellent location choice for those investors considering establishing operations in the European Market. Our strategy is proving successful in a very competitive international environment for FDI. The €325 million investment by WuXi Biologics, their first outside China, will create 400 new jobs in Dundalk and is a significant win for Ireland. WuXi Biologics is a strong addition to Ireland's growing cluster of next-generation biopharmaceutical companies and will be an excellent reference seller for new greenfield Asia Pacific Investment.

2.1.9 South Africa / Kenya (11–15 November 2019)

In a significant move to develop and strengthen economic ties with the growing economies of Africa, over 40 Enterprise Ireland client companies participated in a trade mission to South Africa and Kenya in November 2019. These companies were representative of a range of sectors: Fintech, Agri-Tech, Telecoms, Construction and Life Sciences. The trade mission was very successful with Irish companies agreeing business deals valued at over €70 million. This serves as a clear reminder that there is a wealth of trade and investment opportunities for Irish companies on the African continent.

2.1.10 Kuwait, United Arab Emirates and Bahrain (17–21 November 2019)

This five-day trade mission focused on enhancing the existing trade links with the region and promoting Ireland as a world class provider of goods and services across the Aviation, Digital Technologies, Fintech, Education, Engineering, Telecommunications and Life Sciences sectors. Over thirty-three Enterprise Ireland clients participated in this trade mission.

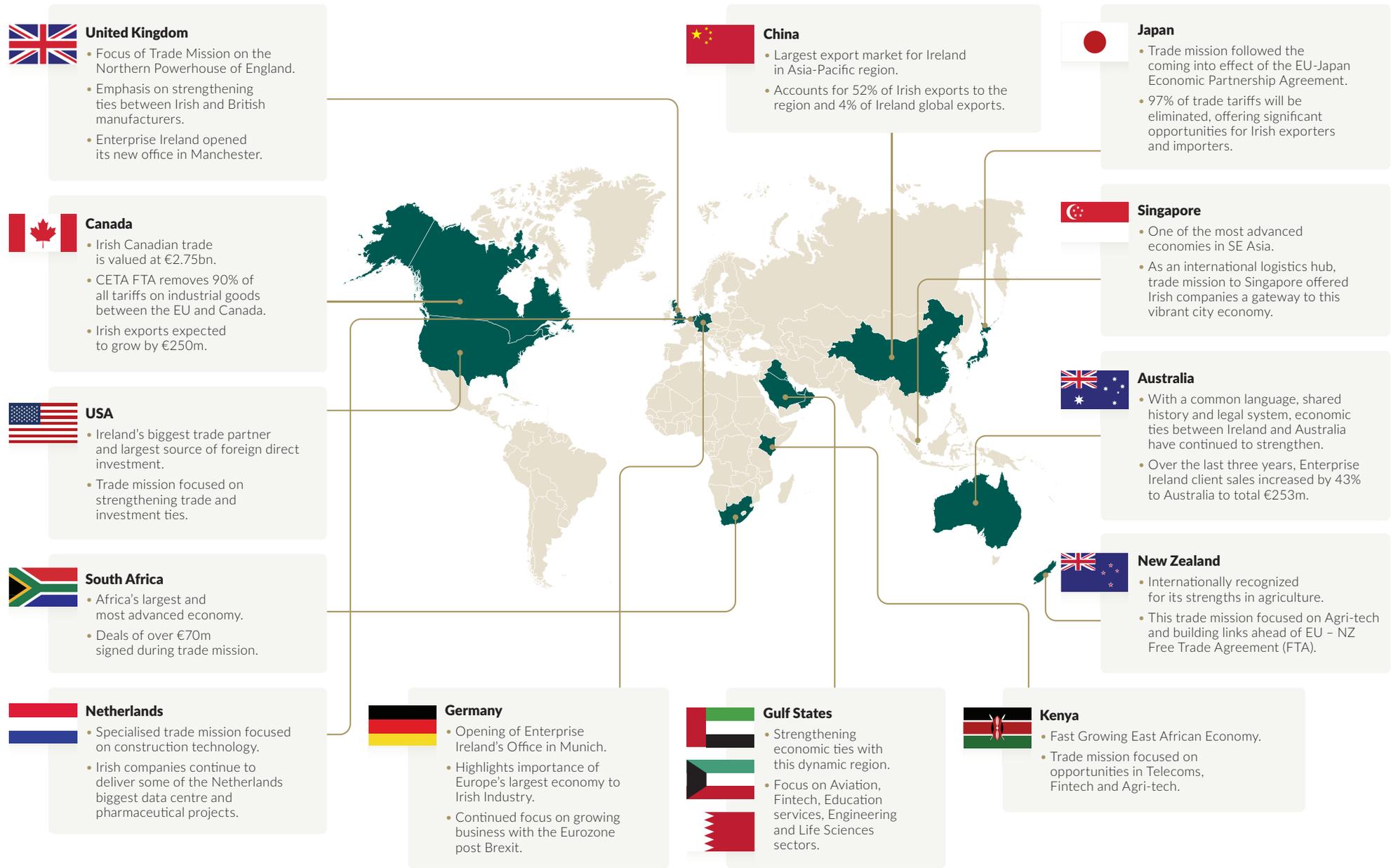
2.1.11 Germany – Bavaria (28 November 2019)

Representatives of 25 Irish companies with strong ties to Germany participated in the trade mission to Bavaria; one of Germany's and Europe's most advanced economic regions. Bavaria's gross domestic product of € 625billion (2018) puts it ahead of 22 of the 28 EU member states. The economic output per resident is above the German and European average at €47,946 (2018).

Four Enterprise Ireland client companies in the Life Sciences, ICT and Agri-Tech sectors signed new deals with their German partners. Also during the mission, Enterprise Ireland's new office in Munich was opened. This new office is a key Brexit response measure, designed to deepen trade opportunities for Irish companies in the Eurozone. The Eurozone is the second largest market for EI clients, seeing an increase in exports of 8% to €4.8 billion in 2018.

The new Munich office builds on Enterprise Ireland's presence in Germany, having opened its first office in Düsseldorf in 1962. This expansion further enhances Enterprise Ireland's ability to support the growth and collaboration of Irish and German companies, particularly in the areas of industrial, Life Sciences, IT and automotive industries, which are strong in the region. It also underlines the importance of deepening Irish/German R&D links which are key to building mutually beneficial value chains and longer term business relations.

2.2 Trade and Investment Mission Activity in 2019





Chapter 3

EU Free Trade Agreements

3.1 EU Free Trade Agreements

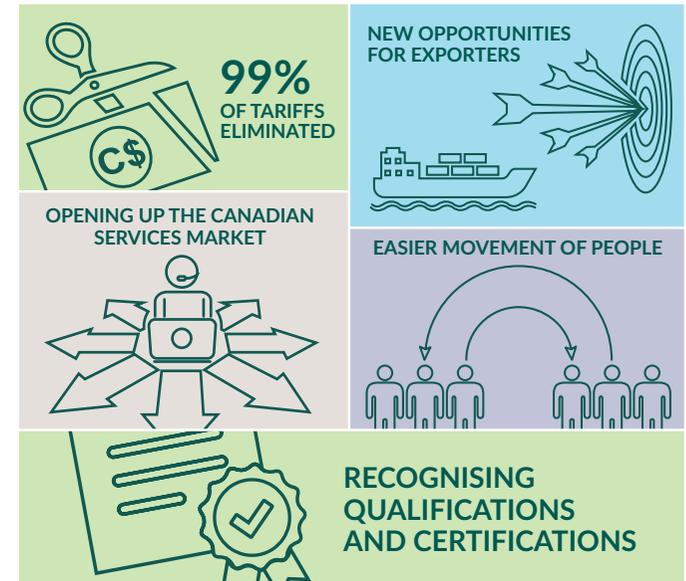
In addition to the global efforts supported by the enterprise agencies of the Department, key to Ireland’s success in growing our exports and attracting foreign investment has been our commitment to trade liberalisation in order to open new markets for our indigenous sectors. With a small domestic market, further expansion in other markets is essential to our continued economic growth and, in this regard, Ireland continues to support the EU’s ambitious programme of negotiating new Free Trade Agreements, which open new markets for Irish companies and increase export and investment opportunities.

The European Union negotiates Trade Agreements with other countries, or trading blocs, on behalf of EU Member States. The Department of Business, Enterprise and Innovation (DBEI), having regard to its responsibility for the identification, formulation and development of Ireland’s international trade policy, represents and promotes Ireland’s interests in discussions which the European Commission initiates with Members States when proposing to open trade negotiations with third countries. DBEI conducts appropriate stakeholder consultations in advance of such negotiations to ensure that the interests of Irish industry, trade unions and sectoral representative groups are carefully considered. These stakeholder consultations include specific regional issues and opportunities.

Prior to commencing negotiations with a potential Trade Agreement partner, the EU conducts impact assessments which are designed to assess whether a trade agreement is the best way to improve trade relations with a specific partner country and what issues should be covered in a negotiation. The EU also conducts analyses of the impact of individual trade agreements once they are in force. These reports can cover the economic, social, human and labour rights and environmental aspects of the deal. Sectoral specific impacts are tracked and documented as part of these reports.

CETA

The Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada came into effect in September 2017



CANADA-IRELAND TRADE 2018



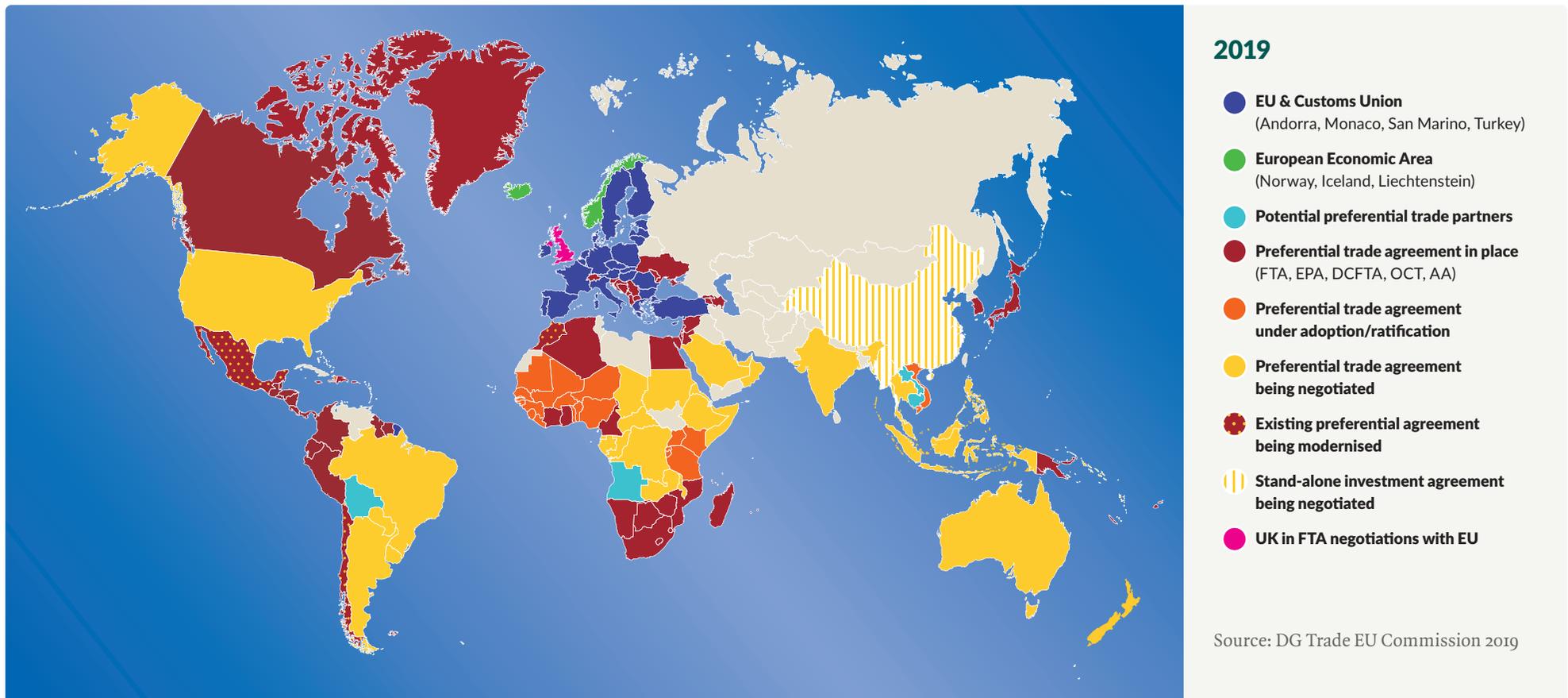
Source: DBEI 2019

3.2 Economic Benefits of Free Trade Agreements

The EU's suite of Free Trade Agreements cover over 70 countries worldwide and account for 39% of the EU's external trade. This growing network of trade agreements creates economic opportunities for workers across Europe. Research conducted by the European Commission has shown that trade supports 1 in 7 jobs. For every €1 billion in exports, 14,000 high quality European jobs are supported. Today, just over 36 million jobs are supported by exports to outside the EU.

At any one time, there a number of Trade Agreements that are under negotiation, or have reached agreement and are awaiting formal approval before entering into force. For Ireland, it means that €3billion worth of Irish exports are eligible for preferential tariffs as a result of these agreements.

Fig 4: Map of EU Trade Agreements



3.3 EU Next Generation Trade Agreements

The 'Next Generation' Trade Agreements are about more than just tariffs. For example, as part of the negotiations there are generally steps agreed which aim to make it easier for Irish companies to:

- Access Public Procurement,
- Get products certified or comply with labelling rules,
- Avail of simplified customs procedures,
- Have professional qualifications such as architects recognised,
- Access business visitor visas,
- Deliver cross border services,
- Protect their intellectual property rights.

Examples of Trade Agreements that were recently agreed or are the subject of ongoing negotiations are as follows



Australia – The negotiations were launched in June 2018. Through 2018 and 2019 six rounds of negotiations have taken place with substantial progress being made on each agreement. Ireland exported €832m worth of goods to Australia in 2018. Australia is the 14th largest economy in the world.



New Zealand – Operating to a similar schedule as Australia, these negotiations were also launched in June 2018, and there have been six rounds to date. According to an EU impact assessment, as a result of the agreement trade between New Zealand and the EU could increase 36%.



Singapore – The Free Trade Agreement and the Investment Protection Agreement between the EU & Singapore were signed in October 2018. The FTA came into force in November 2019. The agreement will scrap all duties on EU exports. It has been designed to stimulate 'green growth' by removing trade obstacles for green tech and create opportunities for environmental services.



Vietnam – The Free Trade Agreement and Investment Protection Agreement were signed in June 2019. The European Parliament approved the agreements in February 2020. Once the Vietnamese National Assembly also ratifies the trade agreement, it can enter into force, most likely in early summer 2020. The investment protection agreement with Vietnam will still need to be ratified by all Member States. Once ratified, it will replace the bilateral investment agreements that 21 EU Members States currently have in place with Vietnam. As part of the deal Vietnam is ratifying several International Labour Organisation conventions that provide rights to workers.



South Korea – The EU – South Korea Free Trade Agreement was provisionally applied in 2011 and formally ratified in 2015. As part of the agreement South Korea removed most import duties on EU products. For Ireland, exports have increased 133% since the deal was signed.



Mexico – On the 21st of April 2018 the EU and Mexico announced that they had reached Political Agreement in their negotiations to modernise the existing EU-Mexico Global Agreement. The Agreement is now going through legal scrubbing and translation processes. As it is a mixed agreement it will have to be approved by The European Parliament and Member State Government and Parliaments.



Canada – The Comprehensive Economic Trade Agreement provisionally entered into force in 2017 (CETA). The deal removes 99% of tariffs. As part of the deal Canadian Public Procurement processes are opening up for European firms. There have also been frameworks and structures put in place that can allow for easier certification of products and the recognition of professional qualifications such as architects or engineers. For full ratification CETA needs to be approved by parliaments of EU Member States.



Japan – The Economic Partnership Agreement between the EU and Japan was signed on 17th July 2018 and came into effect on 1st February 2019. Tariff reductions will be delivered on a phased basis over a period of 15 years. This is the world's largest trade deal, removing tariffs on 99% of EU exports to Japan. The agri-food sector, medical devices and pharmaceutical products will see particular benefits.



Mercosur – Mercosur comprises Argentina, Brazil, Paraguay and Uruguay. Together this is a market of 260m people. In June 2019 a political agreement on a comprehensive trade agreement was reached. In addition to cutting tariffs the agreement promises to ease the customs and compliance procedures that EU firms experience when exporting to the region. The full text of the agreement will now move forward for legal revisions, translations and will need to be approved by the EU Council and Parliament.

3.4 EU Future Trade Relationship with Great Britain

Following the UK's departure from the EU on January 31st of this year, Ireland will wish to have the closest possible relationship between the EU and Britain, including on trade, in order to minimise the impact on Irish trade and the economy. At the same time, it is vital to Ireland's economic interests that the EU's Single Market is fully protected. The Political Declaration setting out the framework for the Future EU-British Relationship sets out the EU and British ambition to have a deep and comprehensive partnership, including across a range of areas of importance to Ireland.

Such a partnership has the potential to develop into a deeper and more ambitious EU Trade Agreement than with any other third country; this is a priority for Ireland. The Political Declaration aligns with Ireland's priorities in a number of areas, including ambitious proposals in relation to the future economic partnership. We also welcome the openness to UK participation in European Union programmes, particularly in the areas of science and innovation, and culture and education.





Chapter 4

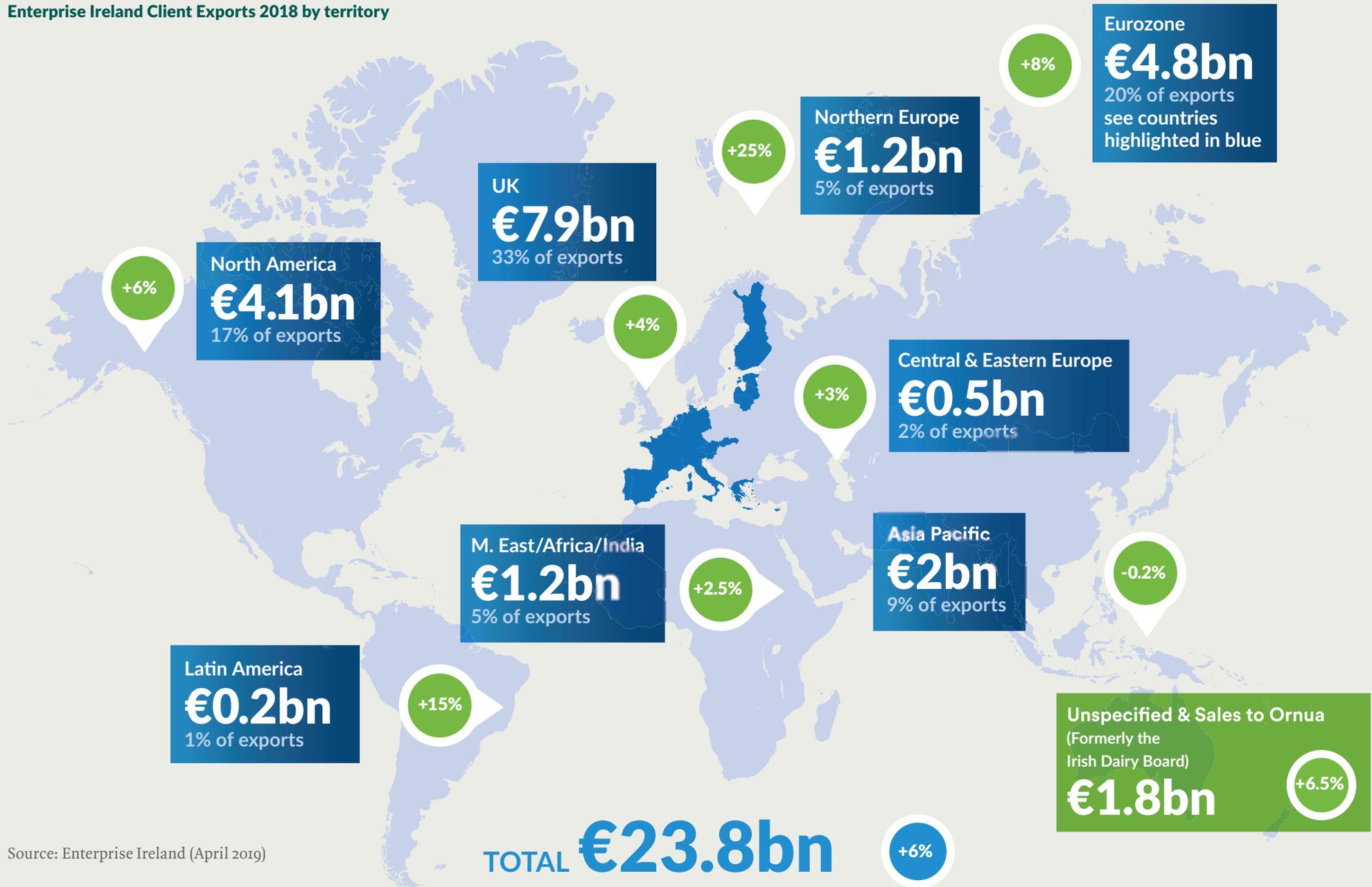
**The Department of Business,
Enterprise and Innovation and its Agencies –
Working together to progress our Trade,
Investment and Innovation objectives**

4.1 Enterprise Agencies

The Department of Business, Enterprise and Innovation plays a key role in implementing the Government's policies of stimulating the productive capacity of the economy and creating an environment which supports job creation and maintenance. The Department also has a remit to promote fair competition in the marketplace, protect consumers and safeguard workers. The Department is assisted in implementing these tasks by a number of Offices and Agencies. Working with three of these Agencies, namely Enterprise Ireland (EI), IDA Ireland and Science Foundation Ireland (SFI), the Department's remit includes growing and deepening export opportunities, attracting foreign direct investment to Ireland and reinforcing Ireland's standing as a top-class research-performing nation.



Enterprise Ireland Client Exports 2018 by territory



Source: Enterprise Ireland (April 2019)

4.2 Enterprise Ireland

Enterprise Ireland (EI) supports the development and growth of Irish exports in world markets, working in partnership with Irish entrepreneurs and enterprises to help them start, grow, innovate and win export sales in global markets. The Agency has a structured process for working with individual companies as they identify goods and services opportunities and begin to enter new markets.

Through its network of overseas offices and its extended Pathfinder (Trade Consultant) network, EI provides client companies with key supports in target markets. EI's client companies can access market knowledge on a regional and industry specific sectoral basis, gain introductions to buyers/suppliers/partners, secure in-market and market intelligence, and access incubation and HotDesking facilities.

EI's success relies on a deep understanding of the products, services, management teams, R&D and financial capacity of client firms and matching these with its intelligence of global and regional market demands and trends and its knowledge of buyers i.e. key firms and personnel within markets. EI's comprehensive supports are designed to support research, new product development and market entry that enable internationalisation. EI also has a full range of supports to assist in the funding challenges that arise within firm and product lifecycles.

The long-term response to Brexit is for companies across all sectors to become more competitive, more innovative and to diversify their export footprint into more international markets.

In this regard, Enterprise Ireland has ambitious targets to:

- Double the value of EI client exports outside the UK from the 2015 baseline by 2025;
- Double Eurozone exports by 2025; and,
- Increase diversification of client exports into new markets with at least 70% of exports going beyond the UK by 2025.

Significant progress is being made in achieving these objectives. EI client companies achieved record levels of exports in 2018 of €23.8bn, against the backdrop of Brexit uncertainty. In 2018, the Eurozone region, which is a key focus of EI's diversification strategy, saw growth of 7.6% to €4.8bn, with Germany, France and the Netherlands each exceeding €1bn in exports. Exports to North America increased from €3.87bn in 2017 to €4.08bn in 2018, an increase of 5.5%. In 2018, the dependency on the UK as a destination for EI client company exports reduced to 33%, down from 44% in 2007.

As outlined earlier, Enterprise Ireland plays a key role in organising the annual programme of Ministerial led trade missions. The majority of trade missions are taking place to the Eurozone, North America and Asia Pacific regions, which represent the strongest growth opportunities for Irish companies. These Trade Missions focus on promoting the innovative capabilities and competitive offerings of Irish companies to international buyers in sectors including internationally traded services, Fintech, High-Tech Construction, Engineering, ICT and Life Sciences.

In order to support Irish companies who wish to diversify into new markets, EI has identified a targeted expansion of its overseas presence in a number of new locations, representing its global ambitions to grow international markets for Irish exporters both emerging and established.

These locations are:

- Glasgow,
- Vienna, Zurich, Copenhagen, Oslo, Lisbon,
- Tel Aviv,
- Buenos Aires,
- Seattle, Miami, Los Angeles, Montreal,
- Nairobi,
- Melbourne, Shenzhen, Chengdu, Jakarta, Kuala Lumpur, Bangkok.

In 2019, seven new EI offices were opened in Manchester, Melbourne, Munich, Lyon, Copenhagen, Seattle and Ho Chi Minh City. These additional offices and those that will open over the coming years will enable the agency to provide supports for client companies who are exposed to the risks associated with Brexit and deliver on its export diversification targets.



4.3 IDA Ireland

IDA Ireland (IDA) is the principal agency of the Department of Business Enterprise and Innovation charged with attracting foreign direct investment (FDI) to Ireland. IDA's mission is to partner with multinational corporations to win and develop FDI, providing jobs for the economic and social benefits of Ireland.

IDA Ireland was formed in 1949 as part of the Department of Industry and Commerce at the time, with a brief to "stimulate, support and develop export-led business and enterprise in Ireland". Foreign investment, industrialization and exports were key to re-energizing the country's fortunes. The distinct strategies employed in pursuit of this goal were often radical, and usually successful, bringing a host of international businesses to put down roots in Ireland. The protectionism of old was swept aside as government strategy shifted to maximize foreign investment, removing restrictions on foreign capital and introducing competitive corporation taxation.

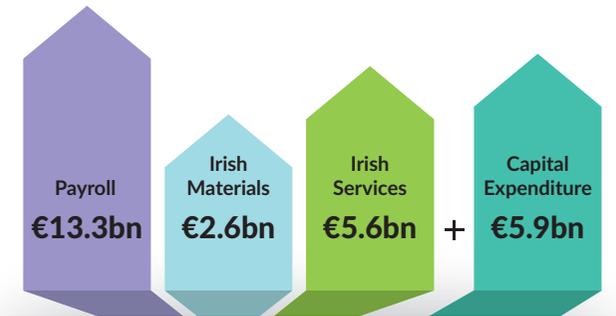
Following the economic recession of the late 2000s, the number of jobs in FDI companies has risen steadily. Today, there are over 1,600 IDA Ireland client companies employing 245,000 people in Ireland, with 60% of these jobs outside Dublin city. Foreign Direct Investment (FDI) accounts for 10.5% of the Irish workforce.

- 2019 marked 5th year of significant growth
- IDA Client employment now at highest level on record at 245,000
- IDA FDI Clients directly account for 10.5% of all those employed in Ireland
- 68% of all national exports in 2018 were accounted for by FDI companies

Working closely with colleagues based in Dublin, IDA Ireland's network of overseas offices continues to play a key role in attracting FDI to Ireland. The agency operates across four main geographies – North America (eight offices); Europe (two offices); UK (one office) and Asia/Growth markets (twelve offices).

Irish Economy Expenditure totalled

€21.5bn in 2018



Source: IDA Ireland 2019

IDA Ireland has made significant progress in diversifying FDI source markets and increasing investments from non-US markets. The agency actively reviews its overseas presence to determine which markets could prove the most valuable sources of FDI in the medium term.

IDA Ireland sees opportunities in growth market regions which include Turkey, the Middle East, South America and South Africa. IDA Ireland has accordingly appointed Pathfinders in these territories. IDA has over recent years expanded its presence in Sydney, and has grown its office footprint in Singapore, China, South Korea and Japan.

Investment Delivery by Territory 2019

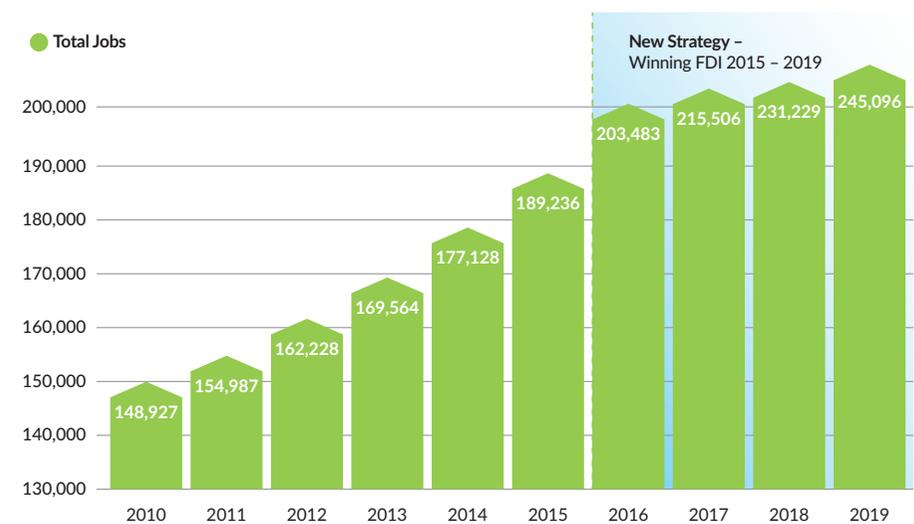
2015–2019: increasing share of investments from outside North America, from 30% in 2014 to 37% in 2019



Exports of IDA Clients (€m)



Table showing FDI Job creation in Ireland from 2010 to 2019



4.4 Science Foundation Ireland

Science Foundation Ireland (SFI), which is an agency of the Department of Business, Enterprise and Innovation, is Ireland's national research agency. The agency funds oriented basic and applied research in the areas of science, technology, engineering and mathematics (STEM).

Oriented basic research is research that is carried out with the expectation that it will produce a broad base of knowledge that is likely to form the background to the solution of recognised, or expected, current or future problems or possibilities.

Applied research is an original investigation undertaken to acquire new knowledge and is directed primarily towards a specific practical aim or objective. The results of applied research are intended primarily to be valid for a single or limited number of products, operations, methods, or systems. Taken together, the combined research promotes and assists the development and competitiveness of industry, enterprise and employment in Ireland.

4.5 SFI and Ireland's Research and Innovation Strategy, Innovation 2020

As a small, open economy, Ireland relies on external demand and international markets for sustainable and continued growth. Building long lasting and meaningful relationships with international partners of excellence is important to deliver on Ireland's ambition to become a global innovation leader. For that reason, Ireland's innovation and research strategy, Innovation 2020, highlights the importance of international cooperation to maximise the impact of international and national investment in research and innovation.

These strong and well-diversified collaborative links with other EU Member States through Horizon 2020 has resulted in Ireland drawing down in excess of €751 million in competitive EU funding from Horizon 2020 to July 2019.

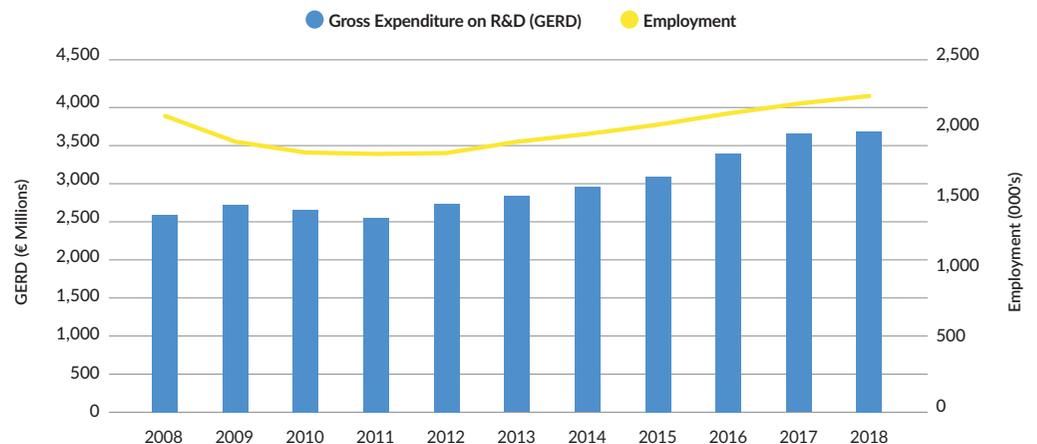
Some examples of how SFI plays a key role in facilitating global research cooperation for Irish researchers to cooperate with the best from academia and industry worldwide, in addition to reinforce Ireland's standing as a top-class research-performing nation, include:

- SFI is involved in over 1,600 international academic collaborations between the UK and Ireland and over 430 collaborations with industries based in the UK. These relationships will ensure that we will continue to have a very close relationship with the UK, regardless of what the Brexit process entails.
- Germany is Ireland's largest collaborator under Horizon 2020 with almost 3,000 collaborative links.
- SFI has successfully engaged in bilateral cooperation with research funders in the US where there are 458 academic collaborations in place and 198 collaborations with US industry.

Ireland is also a member of a number of leading International Research Organisations, including the European Space Agency; EUREKA, COST, the European Molecular Biology Laboratory and the International LOFAR Telescope. In 2018 Ireland also joined ESO – the European Southern Observatory.

Ireland's gross expenditure on R&D has reached its highest level yet at approximately €3.7 billion or approximately 1.24% of GDP in 2017. A significant amount of this progress comes from supporting the R&D efforts of our businesses, for example through the R&D tax credit. In the space of 25 years, Ireland has gone from a base of 800 R&D active firms, with a research spend of €300 million, to nearly 1,800 R&D active enterprises spending over €2.77 billion a year on research and development.

Gross Expenditure on R&D and Employment



This expenditure is yielding positive results as Ireland strives to become a world leader in innovation:

- Ireland has a growing reputation for scientific excellence, evidenced by our ascent in global ranking of scientific citations - In the 2019 European Innovation Scoreboard, Ireland is at 10th place in the EU.
- Ireland tops the leader board in two out of the ten dimensions that the European Innovation Scoreboard assesses. Ireland leads in terms of employment in knowledge-intensive activities and for sales impacts of innovation.
- Ireland is 12th place in the 2019 Global Innovation Index, a significant jump from 21st place just twelve years ago. This recognises that Ireland has become a world leader in generating and using new knowledge for economic and social progress.
- Our global rankings for individual subject areas further demonstrate that we continue to play an important role in global R&I. Ireland is now 1st in immunology, 2nd in agricultural sciences, 3rd in nanotechnology and 5th in material sciences.
- By transforming the level and quality of interactions between our higher education research institutions and Irish based enterprise, we have developed a world-beating capacity to commercialise our public research and we are ranked first in the world for Knowledge Diffusion, third in the world for Knowledge Impact and fifth for Knowledge Absorption.

With the specific intention of ensuring that Ireland can continue to successfully build research partnerships, SFI established its first overseas post in the USA. Based in IDA Ireland's offices in Mountain View California, the SFI representative identifies and facilitates further research collaboration opportunities and enables Irish researchers to connect more closely with US industry, philanthropy and academia.

In December 2019 the Secretary General of the Department led SFI's first international research mission to the Bay Area of California. The mission, involving six SFI Research Centres (ADAPT, Confirm, Insight, Lero, CONNECT, VistaMilk), served to showcase Ireland's research capabilities and SFI's investments in the fields of artificial intelligence, data science, machine learning and related areas.



Source: Science Foundation Ireland

A person wearing blue jeans and a light blue jacket is walking in a transit area, pulling a black rolling suitcase and carrying a brown messenger bag. The background is blurred, showing other people and a modern building with large windows.

Chapter 5

Expanding the Global Footprint of the Department of Business, Enterprise and Innovation

The Department of Business, Enterprise and Innovation, working closely with its enterprise and research agencies, has made a significant contribution to the turnaround in the Irish economy in recent years. In particular, the level of trade and investment is at an all-time high, while Ireland continues to enhance its reputation as a centre of excellence for research.

The Irish economy has seen significant improvements, with 2.3 million people at work, and the unemployment rate having fallen to 4.8%. Notwithstanding these achievements, the Department continues to face new and emerging challenges. In meeting these challenges, the focus of the Department is on protecting and building upon the progress achieved to date.

5.1 Global Economic Challenges

In the wider international trading environment, tensions remain heightened between the largest trading blocks. This has resulted in the moderation of Global Trade and Investment, especially in Europe and China. Worldwide business and consumer confidence have declined as policy uncertainty remains high. Ireland, as a highly open, export-focused economy is particularly sensitive to a slowdown in world trade and overall global economic growth.

There is a heightened emphasis on ensuring that Ireland's interests are strongly represented and robustly defended, and reflected in international decisions which support our jobs, competitiveness, productivity and innovation objectives. International developments present us with many challenges and opportunities in relation to competition for mobile investment and the development and growth of indigenous business.

Brexit

Brexit will remain a significant source of uncertainty for the economy into the foreseeable future. Regardless of the format of Brexit that is eventually agreed, the departure of one of Ireland's most important trading partners will constitute a significant shock to the Irish economy. The ratification of the Withdrawal Bill will mark the beginning of negotiation regarding the future economic relationship between the United Kingdom (UK) and European Union (EU). The government wants to see the closest possible relationship between the EU and the UK while also ensuring adequate level playing field provisions to facilitate fair competition and trade.

In working to realise its goals, the Department has very strong EU engagement in a wide range of EU trade policy fields and takes the lead on Ireland's trade and competitiveness policy, including at EU and WTO level. Working in partnership across Government and with our EU and international partners, we represent Ireland at EU level to influence emerging policies that will support Irish jobs, competitiveness and innovation.

Organigram of Trade, Investment and related work across DBEI and its Agencies



Source: The Department of Business Enterprise and Innovation

DBEI has officers at Counsellor and Trade Attaché level in Brussels, Geneva, London, Berlin, Washington and Beijing. The focus of these posts varies according to the location, with some concentrated primarily on trade development and assistance, while others are focused on representation of Ireland's interests in EU and international organizations.

5.2 Brussels – European Union

As a small open economy Ireland's financial fortunes are largely dependent on international trade and influenced by global markets. It is vital, therefore, that Ireland can negotiate and implement overseas trading partnerships. Membership of the European Union enables Ireland to do so in solidarity with other Member States. Furthermore, by having staff based in the Irish Permanent Representation in Brussels (PRB), the Department can work to ensure that Ireland's position on individual trade, investment and innovation matters are promoted, secured and protected.



Six members of the Department are currently seconded to the Permanent Representation with responsibility for the trade, competitiveness and research agendas. By working closely with colleagues in Dublin the Brussels based staff ensure that the Department can continue to successfully carry out its leadership and coordination role in respect of the EU Trade, EU Competitiveness and Research Councils and in strengthening the Single Market. Officials from this Department engage proactively at EU institutional level and with our EU partners to ensure that Departmental EU priority measures are advanced. They support our Ministers in their pursuit of achieving domestic and EU Policy outcomes which, in turn, enable us to achieve our enterprise, competitiveness, single market and innovation goals.

5.3 Trade Policy

While trade is vitally important for Ireland's economy, issues relating to trade can also prove to be politically sensitive. In today's global economy, trade negotiations can be challenging and typically involve reaching agreement on the extent to which countries will agree the scale and scope of access to each other's markets. It is important for Ireland that there is an expansion of trade opportunities while at the same time being alert to areas where there are particular sensitivities. This involves assessing which industries will gain or lose from a given deal, and what the overall outcome will be, given the subsequent effect for various sectors of our economy.

In Brussels, the main committee at which Ireland can discuss such trade issues is the Trade Policy Committee (TPC). The committee advises and assists the EU Commission in negotiating agreements with third countries or in international organisations in the area of the common commercial policy.

It also acts as one of the preparatory bodies in the decision-making process of the Council as regards EU trade policy.

The TPC deals with trade policy matters within three main areas:

- issues related to the World Trade Organization (WTO);
- bilateral trade relations;
- new EU legislation within the trade policy area, as appropriate.

The EU has recently concluded trade deals with Canada, Japan, Singapore and Mexico, each of which was discussed at meetings of the Trade Policy Committee. On 12th February 2020 the EU approved the EU-Vietnam trade agreement. It awaits sign-off in the Vietnam National Assembly with entry into force expected by early summer. By actively participating in this Committee, the Department's representatives were able to promote Ireland's interests while seeking to protect areas of particular sensitivity.

5.4 A Changed Global Environment

The Department accepts that it must play its part in responding to the global challenges currently faced by Ireland - we must ensure that we are best placed to actively and visibly engage with the international community, so that we can effectively promote and protect our strategic national interests.

We cannot predict the future, but we can put policies in place to prepare for the unknown and to position Ireland for growth over the longer term. The Department has accordingly decided to expand its overseas presence by appointing four senior officials to the Irish Embassies in Washington, Berlin, Beijing and London. The appointment of these senior officials will enable the Department to:

- Strengthen existing relationships and forge new partnerships with the EU Member States and institutions, especially with those Member States whose interests are closely aligned with Ireland.
- Intensify public diplomacy in the US and throughout the world to promote Ireland's enterprise offering and protect its reputation.
- Develop political and high-level links in high growth and emerging markets, aligned with relevant strategies, to secure enhanced market access and create opportunities for our Irish owned enterprises.
- Deliver on our strategic communications strategy to substantially raise Ireland's visibility throughout the world, tailored to different audiences while ensuring clarity and consistency in our messaging.
- Strengthen and diversify Ireland's attractiveness for foreign direct investment and monitor Ireland's competitiveness in relation to our peer countries.

5.5 Washington

The new senior posting in Washington is designed to reflect the increasing importance of Ireland's strategic trade, investment and innovation interests and US developments in these policy domains. The Department's officer will ensure effective liaison with diverse enterprise interests and build relations with key US government departments, federal agencies and relevant stakeholders; reporting on activities, initiatives, major publications and promoting engagement between the Department and these entities. Given the imminent initiation of EU-US trade talks and the existing tariff related trade disputes, forming and deepening relationships with the US is a priority.

5.6 Berlin

The Department appointed a senior official at Counsellor level to the Irish Embassy in Berlin in 2019. Apart from the inherent value of working more closely with Germany, Brexit has put a premium on developing this closer relationship with Europe's largest economy. With this appointment, the Department can develop closer contacts with our German counterparts across several economic ministries in core policy areas of our agenda including industry, trade, research and innovation, data and digital policies, as well as find potential opportunities to further develop and deepen links with Germany. The Counsellor will also provide support and assistance to Enterprise Ireland, IDA Ireland and Science Foundation Ireland in pursuing their respective remits in Germany, and will also be engaging in areas of interest to the Department with a broad range of other governmental entities and non-governmental representative stakeholders in Germany.

5.7 Beijing

The need to build on our growing relationship with China, to gain a deeper understanding of the opportunities and challenges for exports and investment and to promote cooperation, has led the Department to make its first deployment to the Irish Embassy in Beijing.

Case Study: DBEI in London

Since the signing of the Anglo-Irish Free Trade Agreement in 1965 the Department, in its various formations over the years, has appointed senior officials to the Irish Embassy in London for the purpose of developing and enhancing bilateral economic relations between the UK and Ireland. There are now three members of the Department working in the Irish Embassy in London. Their key tasks are varied and include:

- Building and developing strong relationships with UK Government departments, institutions, agencies and lobby groups.
- Developing Ireland's foreign earnings and research potential from the UK in association with the development agencies.
- Analysing developments in the UK economy which have implications for Ireland.
- Developing post-Brexit Departmental, lobby groups and agencies relationships required to facilitate economic relations.

The Department's staff based in the Irish Embassy in London also support the work of Irish business networks; for example, the Irish International Business Network (IIBN), the London-Irish Construction Network (TLICN) and the London-Irish Business Society (LIBS), including their contribution to the work and objectives of the business development agencies and facilitating events and programmes.

Another very important part of the Department's representative role in London is to develop and maximise links with the Irish business diaspora, especially through the Irish networks and lobby groups in Britain.

The Department's team in London provide regular reports on developments in UK policy that may impact on Irish Enterprise policy. Such developments may relate to policy proposals in areas such as climate change, taxation, financial services, clean technology, R&D/innovation, etc.

The team also plays a key role in preparing programmes for, and support to, inward ministerial, high-level trade missions and other visits and coordinating the activities of the DBEI agencies (Enterprise Ireland and IDA Ireland) who are based in the UK and the many other state agencies who have offices in the UK such as Bord Bia, and Tourism Ireland.

Following the UK's decision to leave the European Union, the bilateral relationships developed by the Embassy based staff in London will become increasingly important for Irish policy makers as the opportunity that common EU membership offered for engagement with UK representatives within EU fora will no longer exist.

5.8 London

Since the signing of the Anglo-Irish Free Trade Agreement in 1965 the Department's senior representative at the Irish Embassy in London has had responsibility for promoting the interests of Irish business and labour.

Regardless of the shape of the outcome of Brexit, the UK is, and will remain, a major market for Irish companies. In that context, our strategy is to support Irish exporters to become more innovative, and competitive.

The Department considers that the economic importance of maintaining and developing our connections with our key counterparts in the UK is essential. The Department has accordingly expanded its presence in London where an additional colleague has joined the current team, which includes a senior economic counsellor, to support an intensification of contacts in the Whitehall system.

5.9 Geneva – International Organisations

Four members of the Department are currently seconded to Ireland's Permanent Mission to the United Nations (PMUN), based in Geneva, to promote Ireland's interests at a number of International Organisations, principally, the World Trade Organisation, the International Labour Organisation and the World Intellectual Property Organisation.

5.10 Geneva – World Trade Organisation (WTO)

As a small open trading economy, reliant on exports and imports for its economic development and job creation, Ireland is a strong supporter and beneficiary of the multilateral, rules-based, trading system. The various agreements, rules and structures on which that system is based on is overseen by the WTO, based in Geneva.

The work of the WTO is directed by Ministers who meet in the format of a Ministerial Conference every two years. Decisions taken at that Conference are implemented through the General Council and various implementing and negotiating bodies which meet regularly in Geneva.



At the WTO, the Department's officials participate at various EU and WTO meetings across a broad range of sectors and negotiating topics including e commerce, investment, services, procurement, agriculture and fisheries, as well as at committees that monitor the rules that govern the world trading system such as tariff and non-tariff barriers, trade facilitation practices, subsidies and the dispute settlement system.

Networking with the major players at the WTO, as well as with like minded members from across the globe, and analysing developments in the negotiations is critical to promoting Ireland's interests directly as well as to forming Ireland's input to the development of EU trade policy in Brussels.

5.11 Geneva – International Labour Organisation

The ILO, founded in 1919, aims to promote decent work. It does this by creating international labour standards (conventions), greater opportunities for people to secure decent employment, enhancing the coverage of social protection for all and strengthening tripartism and social dialogue. 187 of the 193 UN countries are members of the ILO. The ILO's tripartite structure, in which Governments, Workers and Employers have an equal voice, is unique in the UN system.



Ireland became a member of the ILO in 1923, the first international organisation which the new State joined. Ireland's links with the ILO can be traced back to Edward Phelan, a Waterford born civil servant, who became the ILO's first official, and went on to lead the ILO as Director-General from 1941-1948. It has ratified 73 ILO conventions out of a total of 189, including the 8 fundamental conventions. In June 2017 Ireland was elected to a Titulaire (speaking and voting) seat on the ILO's Governing Body for the first time. Ireland's annual contribution to the ILO in 2019 was €1.09m. In addition, Irish Aid has a four-year (2017-2021) development cooperation partnership with the ILO, with a commitment to provide approx. €2 million per year.

In recognition of Ireland's expanding interests arising from intensified collaboration on socio-economic (labour) policy at the EU and multilateral level, and Ireland's full membership of the ILO's Governing Body over the period 2017-2020, the DBEI staff based in the PMUN in Geneva play a central role in monitoring and participating in negotiations and policy formation at the ILO. This entails attending, and participating in, ILO meetings and seminars including the Governing Body (meetings span two weeks) and the annual International Labour Conference (two weeks in June) all of which take place in Geneva. Ireland is currently Chair of the Western Europe Group (WEG) in the ILO.

The WEG provides a platform for Governments to efficiently and effectively coordinate engagement with the ILO in respect of preparation for meetings of the Governing Body and the International Labour Conference. The DBEI officials also monitor, coordinate and contribute to national and EU developments of relevance on the ILO agenda, focusing in particular on sectoral meetings and cross-cutting trade/labour discussions that span the multilateral system.

5.12 Geneva – World Intellectual Property Organization (WIPO)

WIPO was created in 1967 to encourage creativity by promoting the protection of various forms of intellectual property. WIPO has 192 members and administers some 26 international treaties. The work of WIPO is an area of particular importance to Ireland given our heavy investment in the area of science, technology and innovation (STI) as reflected in Ireland's strategy for research and development, science and technology, Innovation 2020.



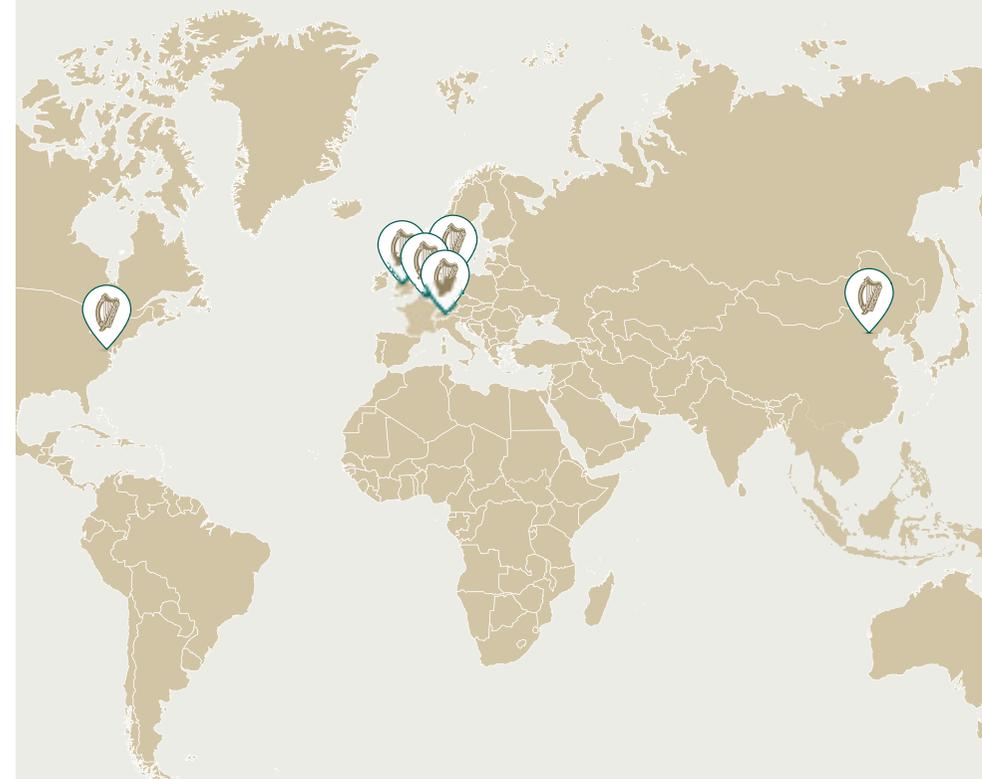
The work of WIPO is directed by the General Assembly which comprises delegates from member states who convene on a biennial basis to establish policy positions and which are in turn effected by the various standing committees that convene on an ongoing basis at the organisation's headquarters in Geneva.

It is important that Irish IP interests are reflected internationally, and the Department's officials keep abreast of both the General Assembly and the work of the various related standing committees, particularly those on the topics of enforcement, law of trademarks on industrial designs and geographic indications, copyright and related rights and law of patents.

Our engagement with WIPO provides a strategic international focus to Ireland's legislation and policy development on STI to ensure that we maintain and continue the Ireland's development as an innovation driven economy.

Map of Department of Business, Enterprise and Innovation Footprint

- London
- Brussels
- Geneva
- Washington DC
- Beijing
- Berlin



Chapter 6

Looking Forward



Ireland is a small, open economy trading in a global economic environment which is becoming increasingly complex. International developments present us with many challenges and opportunities in relation to competition for mobile investment and the development and growth of indigenous business. It is imperative, therefore, that the Department of Business, Enterprise and Innovation, working closely with Enterprise Ireland, IDA Ireland and Science Foundation Ireland, continues to

- enhance our ability to sell goods and services into international markets;
- attract foreign direct investment to Ireland; and,
- build long lasting and meaningful relationships with international partners of excellence to deliver on Ireland's ambition to become a global innovation leader.

We need to invest time and energy in nurturing relationships with the countries, governments and organisations that can help us to achieve our goals.

The Department, by working closely with other Government Departments and Agencies, will continue to address these challenges through the implementation of appropriate sector specific initiatives.





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