



An Roinn Fiontar,
Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

Department of Enterprise, Trade and Employment

Statement of Strategy – Report on Delivery

June 2020 - December 2022



This is a report by the Department of Enterprise, Trade and Employment (DETE) on its activities and achievements between June 2020 and December 2022. Since June 2020, the Department has been led by the Tánaiste and Minister for Enterprise, Trade and Employment Leo Varadkar T.D, the Minister of State for Business, Employment and Retail Damien English, T.D. and the Minister of State for Trade Promotion, Digital and Company Regulation Robert Troy, T.D., until August 2022, when Minister Dara Calleary, T.D. took up office. This has provided the Department with overall political leadership and direction during a period of significant crises and challenge.

The Department's Statement of Strategy 2021-2023 was agreed with the Tánaiste and Ministers in January 2021. This sets out our vision that:

We will make Ireland the best place to succeed in business across all regions of our country, with vibrant enterprises, more high quality employment, growing trade, fair workplaces and higher productivity.

The Strategy was developed at a time when the COVID-19 pandemic and the United Kingdom's withdrawal from the European Union were creating unprecedented challenges for the business community in Ireland. These events and the subsequent impact of the war in Ukraine, which has resulted in disrupted trade flows and supply chains and exceptional levels of price increases, have necessitated a wide-ranging and comprehensive response from the Department. During this period, the Department also continued to deliver on its strategic priorities across all areas of its remit.

There has been strong growth in employment over the last two years, driven mainly by our exporting sectors. By the end of 2021 employment figures were well above pre-pandemic levels. The Department continued to promote job creation, working with its enterprise agencies. The target of 2.5 million people at work, set out in the National Economic Recovery Plan, was achieved in Q2 of 2022 and now stands at 2.554 million, with a rate of 4.4% unemployment in November 2022.

DETE has prioritised our engagement with business, employer and employee representative groups and stakeholders, through initiatives such as the Enterprise Forum, the Retail Forum, the Company Law Review Group and the Enterprise Digital Advisory Forum. We also place huge value on government and cross-departmental groups such as the Labour Employer Economic Forum and other groups set up for specific purposes. Separately, bottom-up initiatives facilitated through the Regional Enterprise Plan governance structures provide important leadership for the regional enterprise ecosystem. These groups, working with DETE, our Offices, Agencies and other government departments, provided platforms for direct engagement with the enterprise sectors as they prepared for Brexit and dealt with the impacts of COVID-19 and the Ukraine crisis. These fora also provide ongoing and valuable advice and assistance to the Department on a wide range of actions and strategy developments.

The Department has attained many of the goals set out in its Statement of Strategy and details of these are set out below, organised under each of the Department's Strategic Goals.

Statement of Strategy Goal 1: Achieve a strong recovery and sustainable economic development through business growth and jobs growth, resilience and innovation.

Funding Initiatives for Business

The Department helped businesses to respond to the economic impacts of Brexit, the COVID-19 pandemic and the Ukraine war, through a range of new advisory services, grants and loan schemes. These measures were provided using a variety of national and EU funds and guarantees. The total value of funds made available for business exceeds €5 billion during this reporting period. These are set out in this report and include:

- DETE partnered with local authorities to make a total of €650 million available to companies through the *Restart Grant* and *Restart Grant Plus* to contribute towards the cost of reopening or keeping businesses operational during the crisis.
- The *COVID-19 Online Retail Scheme* helped Irish based retailers to strengthen their online offering, increase their customer base, and build more resilient businesses. It provided over €18 million to retailers under 3 competitive calls since its launch in 2020. In addition, the last competitive call of the Online Retail Scheme (July 2022) was delivered with €9.3 million.
- Some €700 million of the €2 billion *COVID-19 Credit Guarantee Scheme* was used to provide low-cost lending to almost 10,000 businesses negatively impacted by the pandemic.
- More than 5,500 businesses were assisted by the *Small Business Assistance Scheme for COVID-19*.
- Over €185 million was made available to SMEs under the *Sustaining Enterprise Fund* and the *Accelerated Recovery Fund*.
- The €100 million *Capital Investment Scheme* (targeted at the food processing sector) and the €10 million *Brexit Resilience Fund* were introduced to bolster the resilience of companies facing Brexit.
- The successful €800 million *Future Growth Loan Scheme*, launched by DETE in 2019, was fully subscribed, and 3,500 businesses accessed low-cost investment loans for up to 10 years under the scheme.
- The Brexit Impact Loan Scheme was launched in October 2021 to run to the end of 2022. It made up to €330 million available to SMEs that have been impacted by Brexit and COVID-19.
- The €200 million *Ukraine Enterprise Crisis Scheme* was launched in October 2022 and is helping businesses to manage the economic impact of the current crisis in Ukraine. It is aimed at businesses experiencing significant difficulty due to increased energy costs.
- To assist the wider business sector with liquidity, and to invest in energy efficiency, a €1.2 billion State-backed *Ukraine Credit Guarantee Scheme* will provide low-cost working capital to SMEs, primary producers and small mid-caps.
- The €90 million *Innovation Seed Fund* was launched in January 2022 to provide vital capital to innovative Irish companies at the crucial seed stage.
- DETE and the Department of Agriculture, Food and the Marine continue to collaborate with the Strategic Banking Corporation of Ireland and the European Investment Bank on the *Growth and Sustainability Loan Scheme* to encourage SMEs to invest for their future. It is intended to launch this scheme in the first half of 2023.

- DETE has provided a range of options for SMEs to continue to have access to finance through Microfinance Ireland loans.
- We have progressed legislative amendments to the Credit Guarantee Act, the Loan Guarantee Schemes Agreement Act and the Microenterprise Loan Fund Act.

Digital, Research, Development and Innovation

- We continue to manage the €500 million *Disruptive Technologies Innovation Fund*, investing in the development of innovative technologies targeted at tackling national and global challenges. Three rounds of funding have been launched since June 2020 resulting in 29 projects and €90m of funding in Call 3, and 11 projects totaling €40m of funding for Call 4. Call 5 is currently underway.
- DETE is driving a step change in the digitalisation of business. In July 2021 we launched the National AI Strategy, *AI – Here for Good* and Dr Patricia Scanlon was appointed Ireland’s first AI Ambassador in May 2022. The strategy sets out a roadmap for Ireland to become an international leader in using AI to the benefit of our population, through a people-centred, ethical approach to AI development, adoption and use.
- DETE was instrumental in developing the National Digital Strategy *Harnessing Digital – The Digital Ireland Framework*, with the Department of the Taoiseach. The Strategy was launched in early 2022, and a cross-departmental senior officials group was established to steer implementation. DETE leads the implementation of the Enterprise Pillar to develop a strong digital ecosystem for SMEs, increasing Ireland’s digital competitiveness
- The *Digital Transition Fund* was launched in June 2022 as part of Ireland’s National Recovery and Resilience Plan. This €85 million fund, which will run to 2026, helps businesses at all stages of their digital journey.
- Four Irish proposals were approved for funding from the *European Digital Innovation Hubs* programme in 2022. The hubs, to help companies to discover digital technologies and gain digital skills, will be based in Dublin, Mullingar, Cork and Sligo.
- In November 2022, DETE organised the Digital Ireland Conference, as a showcase for our ambition to be a leading digital country, and to demonstrate our commitment to well-resourced digital regulation.

Strategic Developments

- DETE established a dedicated COVID-19 Business Support Call Centre in 2020, which evolved to become a Business Information Centre addressing all business initiatives and measures in the post-COVID-19 environment.
- We developed and launched the *National Remote Work Strategy* in January 2021 to maximise the economic, social and environmental benefits that remote working can bring, and to provide opportunities for balanced regional development.
- We launched Ireland’s new *Smart Specialisation Strategy* in July 2022. The Strategy embraces a regional approach to addressing Ireland’s research, development and innovation challenges and is closely integrated with *Impact 2030: Ireland’s Research and Innovation Strategy*.
- DETE led the development of a revised *Government Statement on the Role of Data Centres* in Ireland’s enterprise, which was published in July 2022.

- A programme of research was undertaken to ensure that the future skills needs of business are met, including for the low carbon economy and the construction sector.
- We are implementing the *SME and Entrepreneurship Growth Plan* to build the best business and regulatory environment possible for SMEs and entrepreneurs, and to help companies start up, scale up and access international markets.
- Our *National Space Strategy for Enterprise* has facilitated a 39% increase since 2019 in the number of Irish companies engaging with the European Space Agency.
- We established a new Unit to ensure delivery of DETE actions under the *Housing for All* Action Plan. This includes the establishment of a new Construction Technology Centre, led by NUI Galway and promotion and development of Modern Methods of Construction.
- A *White Paper on Enterprise 2022 to 2030* was published in December 2022 to ensure that Ireland is well positioned to tackle the enterprise challenges and leverage the opportunities that will arise in the period to 2030. The development of this was informed by broad stakeholder engagement and international expertise.

Regional Balance

- The Department oversaw the development of nine new *Regional Enterprise Plans to 2024*, with €180 million provided for implementation. These are bottom-up plans, developed by regional stakeholders including the enterprise agencies, local enterprise offices, local authorities, regional skills forum and education and training institutes.
- We worked with all stakeholders and achieved the approval of the EU for the *new Regional Aid Map for Ireland*.
- The *Regional Enterprise Development Fund* and *Border Enterprise Development Fund* are facilitating collaborative initiatives that can build enterprise capacity in the regions.
- Ireland successfully applied for €396 million of ERDF investment from the EU, which includes €145 million for a regional enterprise fund for actions in the Regional Enterprise Plans.
- The *Shannon Estuary Taskforce* was appointed by Government in 2022 to assess the strategic strengths and comparative advantages of the Shannon Estuary and to scope out economic opportunities for the area. An Interim report was published in December 2022.
- The Local Enterprise Offices' (LEOs) mandate was expanded in November 2022 to provide grant aid to companies with more than 10 employees in the manufacturing and internationally traded services sectors. This will extend advisory services and grants to thousands more Irish companies across the LEO network.
- The Department ensured prompt roll out of Emergency Humanitarian Support Schemes to assist businesses affected by severe weather events in Cork, Wexford and Carlow and to organisations affected by the explosion in Creeslough.

Statement of Strategy Goal 2: Promote safety, better pay and conditions, more secure jobs and gender equality in the workplace

- DETE has brought forward several important enhancements to workers' rights. *The Sick Leave Act 2022* ensures that, for the first time, all qualifying employees will have an entitlement to employer-paid sick leave. This progressive Act will commence on 1st January 2023. Workers will be entitled to up to 3 days medically certified sick leave per year, rising incrementally to 10 by 2026.

- The *Payment of Wages (Amendment) (Tips and Gratuities) Act 2022*, which came into effect on 1st December, gives employees legal rights on the protection of workplace tips.
- To bring Ireland in line with the European average a new public holiday was introduced in January 2022 and will fall on the 1st Monday of February, *St. Brigid's Day/Imbolc*.
- The *Right to Request Remote Working Bill* has been integrated into the *Work Life Balance and Miscellaneous Provisions Bill*. The Bill has been approved by the Dáil and enactment is expected early in the New Year.
- The *Redundancy Payments (Amendment) Act 2022* was commenced in April 2022 and ensured that employees made redundant during COVID-19 will receive the same total payment as if they had not been laid off during the pandemic.
- The Workplace Relations Commission (WRC) and Labour Court continued to provide their services throughout the pandemic, developing new remote processes and hearings.
- In April 2021, the WRC published a Code of Practice providing guidance to employers and employees on the *Right to Disconnect*.
- The WRC prepared new policies and approaches to support the enactment of new legislation in the areas of the *Right to Request Remote Working, Sick Leave, Payment of Wages (Tips and Gratuities), Work Life Balance and Redundancy Payments (Amendment) Acts*.
- *Employment Regulation Orders* for the contract cleaning, early years learning and childcare sectors were introduced to provide for minimum hourly rates of pay and other conditions of employment for various roles in these sectors.
- A *Sectoral Employment Order (Construction Sector) 2021* came into effect in February 2022 setting the statutory minimum rates of pay and other conditions for persons employed in the construction sector.
- Regulations to transpose the *Transparent and Predictable Working Conditions Directive* into Irish law are being finalised. This will promote more transparent and predictable employment while ensuring labour market adaptability.
- The *Report of the High-Level Review Group on Collective Bargaining*, established under the auspices of the Government's Labour Employer Economic Forum (LEEF), was published in October 2022 and the recommendations are being considered by the Department.
- We successfully tackled delays and a major backlog in issuing Employment Permits, following a significant increase in applications, which have doubled since 2019. All applications are now being processed within 5 working days of receipt.
- The *Employment Permits Bill 2022*, introduced in the Dáil in October 2022, will facilitate better competition for global talent, to fill labour market gaps, assist local enterprises and encourage foreign direct investment while also protecting the rights of workers.
- Criteria for Employment Permits were expanded to fill skills gaps for social workers, occupational therapists, physiotherapists, speech and language therapists, health care assistants, dispensing opticians, construction trades, HGV drivers, hospitality managers, chefs, dairy farm assistants, meat processing workers and horticulture workers.
- During the COVID-19 pandemic, DETE led on the development of the *Work Safely Protocol*, working across government and with employer and employee stakeholders. The Health and Safety Authority (HSA) acted as the lead agency in coordinating compliance with the measures set out in the protocol.
- The National Standards Authority of Ireland prepared a range of guides for retailers and manufacturers to ensure that staff and customers were protected.

- The HSA established a new Occupational Health Division, to provide a more strategic long-term focus on occupational health hazards through visible inspections across all sectors.
- To protect low paid workers, the minimum wage will move to €11.30 on 1st January 2023.
- The Low Pay Commission recommendations to move to a living wage were announced in November 2022. The national living wage will be set at 60% of hourly median wages. It will be introduced over a four-year period and will be in place by 2026, at which point it will replace the National Minimum Wage.
- The Department provided the *Balance for Better Business* with secretariat and analytical support. This is an independent business-led Group, established by the Government to improve gender balance in senior leadership in Ireland. There has been significant progress in achieving voluntary targets to 2023 for improved gender balance on the boards and at senior management. Strict targets have been set to continue and improve gender balance.
- In December 2022, Ireland completed the ratification of the International Labour Organisation (ILO) *Convention on Violence and Harassment, 2019, (No.190)*.

Statement of Strategy Goal 3: Enhance our business regulatory environment and Ireland's attractiveness as a place to do business.

- Company law was adapted in response to COVID-19 with important legislative initiatives. The *Companies (Miscellaneous Provisions) (COVID-19) Act 2020* alleviated pressures on company liquidity to protect viable businesses and preserve employment. The *Companies (Rescue Process for Small and Micro Companies) Act 2021* provides for a dedicated rescue process for small and micro companies. The *European Union (Preventive Restructuring) Regulations 2022* were signed in July 2022 amending examinership law.
- The *Sale of Tickets Act 2021* was commenced in July 2021. It regulates the secondary ticket market where tickets are resold after their original purchase from the primary ticket market and where prices are more likely to be above their original sale price.
- The *European Union (Copyright and Related Rights in the Digital Single Market) Regulations 2021* were signed on 12 November 2021 to strengthen the rights and protections afforded to rightsholders in the context of technological advances and increased digitalisation.
- The *Competition (Amendment) Act 2022* was signed into law in June 2022 and allows for competition law to be enforced through administrative sanctions rather than having to go through the courts system.
- The *Companies (Corporate Enforcement Authority) Act 2021* commenced with effect from 6 July 2022 (save for section 35) and established the new Corporate Enforcement Authority, a statutory body with powers to investigate and prosecute breaches of company law.
- The *Consumer Rights Bill 2022* came into force on the 29 November 2022. It is the largest reform of consumer law in 40 years and consolidates the law relating to rights and remedies in contracts between traders and consumers for the sale of goods and the supply of digital content and digital and other services.
- The pre-legislative scrutiny report for the *Representative Actions for the Protection of the Collective Interests of Consumers Bill 2022* was completed on 2 December.
- Recommendations are being reviewed, with proposal to Government planned for Q1 2023.

- A *General Scheme of the Co-operative Societies Bill 2022* to encourage the growth of Co-operatives in Ireland was published in November 2022 and represents the most far-reaching reform in this area for over a century.
- There was continued implementation of the *Action Plan on Insurance Reform*, which aims to deliver on commitments made in the Programme for Government to bring down the cost of insurance for consumers and business. To date, 90% of the actions in the report have been completed and the remainder are ongoing.
- The *Personal Injuries Resolution Board Bill 2022* was enacted in December 2022. This will increase personal injury claims resolved through PIAB without recourse to litigation.
- DETE secured a positive outcome in 2022 in the EU negotiations for the new EU *Digital Markets Act (DMA)* and the *Digital Services Act (DSA)*. A key objective to protect the country-of-origin principle in the DSA was achieved. DETE also led the process to identify Coimisiún na Meán as the body to be designated as Ireland’s Digital Services Coordinator (DSC) – making Ireland one of the first EU member States to identify its DSC.
- The *SME Test* was successfully implemented across Government. The Test is designed to encourage policymakers to consider the impact that any new regulations or laws will have on SMEs, and to mitigate against those impacts where appropriate.

Statement of Strategy Goal 4: Deepen and extend Ireland’s global business and trade to further grow the all-island economy.

- In preparation for Brexit, the Department carried out extensive analysis, research and prepared policy options to ensure a coordinated and coherent approach to Brexit. There was intensive engagement with stakeholders in preparation for all Brexit outcomes, including the possibility of a no-deal scenario.
- We worked closely on joint initiatives with InterTrade Ireland and engaged on the *Trade and Cooperation Agreement* and the *Protocol on Ireland/Northern Ireland*. We also launched a second call under the *Brexit Response Scheme*, targeted at the food processing sector.
- The Department continued to work closely with the European Commission and member states to advance negotiations for several trade agreements, including with Australia and New Zealand. We also worked to progress Irish ratification of the Canada CETA agreement.
- In 2021, following the COVID-19 pandemic, ministerial-led trade missions recommenced. This involved working with our agencies and the Department of Foreign Affairs, as part of Team Ireland, to achieve the goal of securing high-level market access for companies that are aiming to grow business overseas and increase domestic employment.
- In July 2022, the Government approved publication of *Delivering Value for Ireland: Trade and Investment Report 2021* showing a record performance of €451 billion exports in 2021.
- The Government’s new Trade and Investment Strategy *Value for Ireland, Values for the World* was launched in April 2022. Its goal is to see Ireland grow sustainably, diversify export markets and provide for continued economic wellbeing. A new ministerial, cross-government, cross-agency and stakeholder *Trade and Investment Council* is overseeing implementation of the Strategy.

- The Department will seek Government approval to publish the *Control of Exports Bill* in January 2023. The Bill aims to ensure that Ireland has a comprehensive and robust framework for regulating export of controlled goods, principally dual-use and military items.
- The *Screening of Third Country Transactions Bill 2022* completed second stage in September 2022 and will provide Government with powers to protect security or public order.

Statement of Strategy Goal 5: Advance the green transition in enterprise, honouring our climate action commitments

Many of the measures and investments set out in Goal 1 above are also aimed at helping enterprise to become more sustainable, resilient and better prepared for the challenges and opportunities of the climate transition.

- DETE contributed to the Government’s *Climate Action Plan 2021* and to Ireland’s 2050 carbon neutrality ambition. The enterprise sector is mandated to reduce manufacturing emissions by 35% to 2030 under the sectoral emissions ceilings announced in Summer 2022. The Government is investing €55 million through Enterprise Ireland’s *Green Transition Fund* to help businesses move away from fossil fuels and towards more sustainable, cheaper alternatives.
- The *Climate Toolkit 4 Business* was launched in December 2021 to assist SMEs to start reducing their emissions and improving energy efficiency. Other measures were introduced to incentivise business decarbonisation through the *Recovery and Resilience Fund*.
- We are ensuring that climate action priorities are reflected in policy and programme implementation by the Department, its offices and its agencies.

Statement of Strategy Goal 6: Build an innovative and agile Department with a strong public service ethos driving effective and responsible policy implementation

- The Department rapidly adjusted to the changing circumstances brought about by the COVID-19 pandemic and ensured that services continued to be provided to our customers during this challenging period. The majority of staff moved to remote work, and we ensured that our buildings were safe for all who needed to be onsite to provide essential services.
- Multiple improvements were made to our ICT systems to increase the capacity of the Department’s services to facilitate remote working, to ensure that the Department could deliver its service remotely, and to prepare for hybrid working options in the future.
- There were significant adaptations to our buildings, to provide for social distancing requirements during the pandemic and increases in staff numbers. We installed an extra 165 desks (+33%) across the Kildare Street and Earlsfort Centre buildings over the past 2.5 years and created additional meeting spaces.
- In relation to climate, we are leading by example with *DETE Green Team Initiatives* including installation of beehives on our roof, planned solar panels to reduce our energy costs, webinars on energy efficiency and smarter travel, cycle clinics and individualised solar panel information sessions. DETE are currently ranked second highest government department for delivering energy efficiency savings as per the SEAI’s annual public sector energy report.

- There were a range of improvements made to underpin the remote and blended working capacity of the Department, many of which were overseen by the internal COVID-19 Working group which facilitated the safe return of staff to the office in early 2022.
- A formal Blended Working Policy was published in June 2022, and a new DE TE *People Strategy 2021-2024* was launched setting out how to secure, develop and retain staff to deliver the mission of the Department.
- In response to the challenges of the pandemic, we launched an internal *ConnEcTEd Teams* programme in January 2021 which identified and promoted approaches and behaviors to provide effective blended working for teams. This led to initiatives on remote working, the establishment of a Peer2Peer network and customised workshops for senior management. The programme was selected as a finalist in the *CIPD HR Awards*.
- The Department was nominated for two awards in the annual *Civil Service Excellence and Innovation Awards*. The first was in the Excellence in Policy Making and Implementation category with the Remote Work Guidance and National Strategy. The second was in the Leading Reform during COVID-19 category with the SME COVID-19 Loan Schemes.
- The Department was shortlisted for the *Future Tech Challenge* and was awarded funding under the *Public Service Innovation Fund* for a project trialling the use of AI-powered software to convert records held by the Companies Registration Office into a rich database for policy analysis.
- We have continued to provide excellent evidence-based policy making. Our *Annual Employment Survey* and *Annual Survey of Business and Economic Impact* have been awarded certification under the *Irish Statistical System Code of Practice*.

In closing this report, the Department would like to highlight the commitment, innovation and agility shown by all the staff in the Department. We are proud of our response and the many measures we have taken to support Government, the Tánaiste and our Ministers, the enterprise sector, employers and employees, and the public we serve, during a time of significant challenge for Ireland.

We have worked closely with our Ministers; Tánaiste Varadkar and Minister English, Minister Troy and Minister Calleary and we wish them every future success.

Dr Orlaigh Quinn
Secretary General
17 December 2022