

Annual
Report and
Accounts
2013



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

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Foreword by the Minister for Jobs, Enterprise and Innovation



This is the third annual progress report presented to me by the Secretary General of the Department of Jobs, Enterprise and Innovation and it clearly shows that the creation and protection of jobs remains central to the Department's diverse range of activities and responsibilities. The second Action Plan for Jobs was launched in February 2013. The Plan, which contained 333 actions, built on the progress made in 2012, and, in a major departure from the 2012 plan, contained seven "disruptive reform" measures which can have an immediate impact. These measures challenge the system to deliver ambitious change to support job creation.

2013 was a year where we saw one of the highest levels of job creation in over a decade. IDA Ireland client companies created 13,367 new jobs, with a net increase in employment of 7,070 while Enterprise Ireland saw a growth of 5,422 net jobs in the same year.

This Department also played a central role during Ireland's Presidency of the EU in the first half of 2013 driving the agenda of "promoting sustainable economic growth and jobs and building Europe's competitive advantage" with over 60 individual legislative items in this Department's policy and legislative areas advanced during our presidency.

Work on the amalgamation of the 5 workplace relations bodies continued to progress during 2013 and the website www.workplacerelements.ie was launched in October 2013. This website provides a single source of information on employment, equality and industrial relations legislation and associated public services.

The dissolution of the Country Enterprise Boards (CEBs) and the establishment of Local Enterprise Offices (LEOs) was well advanced during 2013. The LEOs will be a first stop shop for anyone seeking information and support on starting or growing a business in Ireland. They will deliver an enhanced and more integrated support service for micro and small business in Ireland.

I would like to take the opportunity to thank the Secretary General and all the staff in the Department, its Offices and Agencies for their tireless work during the EU Presidency while, at the same time, continuing to work hard to drive and implement our policies and deliver on the goals in our Strategy Statement. I would also acknowledge the continuous, tireless work of my then Ministerial colleagues, John Perry, T.D, Minister for Small Business, and Seán Sherlock, T.D., Minister for Research and Innovation.

Richard Bruton
Minister for Jobs, Enterprise and Innovation

Introduction by John Murphy, Secretary General, Department of Jobs, Enterprise and Innovation

Welcome to the 2013 Annual Report of the Department of Jobs, Enterprise and Innovation which details progress against our commitments in our Statement of Strategy 2011 – 2014. As Ireland held the EU presidency from 1 January 2013 to 30 June 2013, we have also dedicated a chapter in this progress report to this important event and the role our Department played during the Presidency.

Over this six month period of the EU Presidency this Department was involved in over 300 meetings in Brussels and almost 900 meetings in Geneva and elsewhere. We organised 5 formal Councils and 3 informal Councils, as well as a number of pre Presidency events in late 2012. In the context of reduced resources I am keenly aware that staff had to shoulder this extra burden and their collective effort is highly commendable. I would also acknowledge the leadership and personal commitment of our Ministers during the Presidency.



In addition to the EU Presidency, the day to day work of the Department continued through 2013. The Action Plan for Jobs was launched in February 2013. The Companies Bill 2012 completed Committee Stage, IDA created 7,070 (net) new jobs and EI Client companies recorded the highest overall rise in employment levels in the past decade with 5,442 (net) jobs created. The amalgamation of the 5 workplace relations bodies continued apace, the integration of Forfás continued to progress and Shannon Development is in transition to become part of the Shannon Group plc.

I would like to take the opportunity to thank staff in the Department, its Offices and Agencies for their continued hard work. Together with our colleagues across Government and our various stakeholders, we will continue to progress the critical work to achieve the goals of our Strategy in the months and years to come.

John Murphy
Secretary General

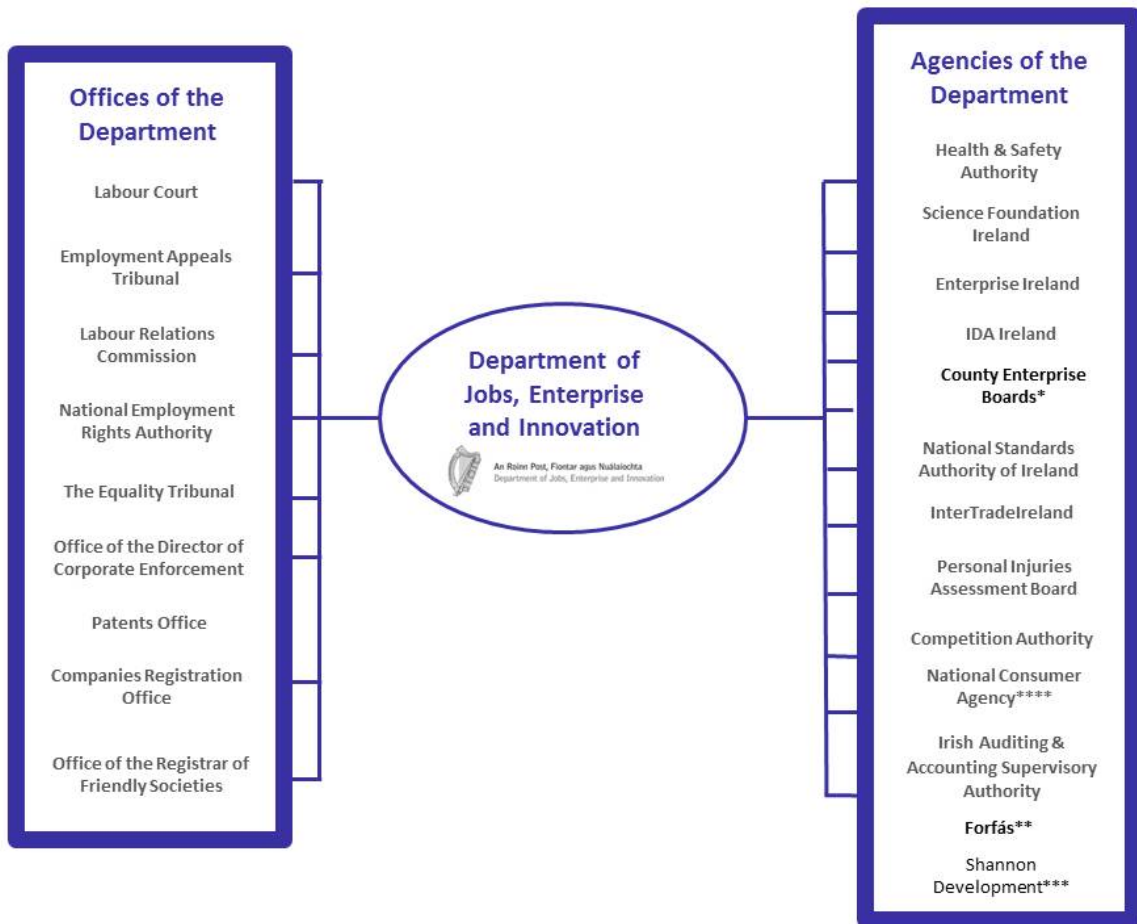
Our Mission

To support the creation of good jobs by promoting the development of a competitive business environment in which enterprises will operate to high standards and grow in sustainable markets

About Us

The Department of Jobs, 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. The Department also has a remit to ensure fair competition in the marketplace, protect consumers and safeguard workers. Through its agencies and Offices, the Department's remit covers a wide range of activity including:

- facilitating the start-up and growth of indigenous enterprises,
- attracting foreign direct investment,
- increasing exports,
- improving competitiveness,
- promoting innovation and growth through investment in research and development,
- promoting fair competition for businesses and consumers,
- upholding company law,
- safeguarding the rights of workers, including their entitlement to occupational safety and health,
- facilitating a positive industrial relations environment,
- making evidence based policy, informed by research, analysis and a robust evaluations culture,
- identifying the future skills needs of enterprise (enhancing the product offering to attract FDI, facilitate investment and job creation by indigenous businesses and improving Ireland's competitiveness, innovation and productivity), and
- Representing Ireland's interests in relevant EU, WTO, ILO, OECD and WIPO for a.



- * The 35 Country Enterprise Boards were legally dissolved on 15 April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.
- **The Industrial Development (Forfás Dissolution) Act was signed into law on 29 June 2014 allowing for the integration of Forfás with DJEI on its dissolution date of 1 August 2014
- ***Shannon Development became part of Shannon Group plc on 14 November 2014 and was renamed Shannon Commercial Enterprises Ltd trading as Shannon Enterprises.
- ****The Competition and Consumer Protection Commission was established on 31 October 2014 following the amalgamation of the Competition Authority and the National Consumer Agency

Our Achievements - 2013

The 2013 Action Plan for Jobs launched on 22 February 2013. There were 333 actions in the plan, compared to 270 in the previous year. At the end of 2013 95% of the job supporting measures committed to in the previous two years had been delivered.

IDA client companies created 13,367 new jobs (net new jobs 7,071). In addition, at year end, 55 companies transferred from Shannon Development bringing IDA's client number to 166,184.

IDA approved 164 investment projects of which 78 were from new companies- 30% of these projects were outside Dublin and Cork.

Enterprise Ireland (EI) client companies recorded the highest overall rise in employment levels in the last decade with 5,442 (net) jobs created. This includes 3,620 full time and 1,822 part-time jobs. At the end of the year, employment in client companies stood at 175,750 (149,718 full time and 26,032 part-time).

Enterprise Ireland client companies achieved record export sales of €17.1bn for 2013.

Securing agreement amongst EU Trade Ministers to open talks on the proposed Trans-Atlantic Trade Investment Partnership (TTIP).

Successful negotiation by the Irish Presidency, in June 2013, of a political agreement between the Council, the Commission and European Parliament on Horizon 2020, the €79 billion EU Framework Programme for Research and Innovation 2014 – 2020.

Significant progress made in dissolving the City and County Enterprise Boards and establishing the new Local Enterprise Offices. This is on track for early delivery in 2014.

The Companies Bill 2012 completed Committee Stage in Dáil Éireann. This will be a significant piece of legislation that will replace all previous Companies Acts and is the biggest reform in company law in 50 years.

The Companies (Miscellaneous Provisions) Act 2013 was signed by the President on 23 December 2013.

The abolition of Forfás and the integration of the Forfás research and policy division with the Department of Jobs, Enterprise and Innovation were formally announced by the Minister on 19 April 2013. The integration of Forfás will centralise and strengthen the capacity of the Minister and this Department to develop and implement enterprise policy.

Microfinance Ireland and the European Investment Fund signed a guarantee agreement aimed at supporting micro enterprises and self-employed enterprises in Ireland. Nationwide the 10 year scheme, which was launched in 2012, is expected to assist 5,500 micro enterprises, helping to create an estimated 7,700 jobs in Ireland.

The amalgamation of the 5 workplace relations bodies continued to progress during 2013 and the website www.workplacerelements.ie was launched in October 2013. This website provides a single source of information on employment, equality and industrial relations legislation and associated public services.

The Equality Tribunal was transferred from the Department of Justice into the Department of Jobs, Enterprise and Innovation in January 2013.

Government adopted Action Plans, with 274 actions collectively, for Implementing Research Prioritisation across the 14 Priority Areas, along with a comprehensive framework of metrics and targets for monitoring the impact of public investment in Science, Technology and Innovation.

Management Board Membership

John Murphy	Secretary General
Dermot Curran	Assistant Secretary, Innovation and Investment Division
Clare Dunne	Assistant Secretary, Competitiveness and Jobs Division
Philip Kelly	Assistant Secretary, Corporate Services , EU Affairs and Trade Policy Division
Breda Power	Assistant Secretary, Commerce, Consumers and Competition Division
Martin Shanagher	Assistant Secretary, Labour Affairs Division
Martin Shanahan**	Chief Executive, Forfás

** In August 2014, Martin Shanahan resigned from the Management Board following his appointment as Chief Executive of IDA Ireland.

**In August 2014, following the integration of Forfás with the Department of Jobs, Enterprise and Innovation, Declan Hughes, Assistant Secretary, Strategic Policy Division, joined the Management Board.

Statement of Strategy

2011 – 2014

1. *Championing Enterprise*
2. *Improving Competitiveness and
Access to Finance*
3. *Enterprise Development*
4. *Increasing Exports*
5. *Regulation*
6. *Innovation*
7. *Developing Sectors with
Potential*

1. Championing Enterprise

“Make Ireland the best small country in which to do business and enlist the widest possible support within and outside government for this goal”.

Achieving this objective involves intensive engagement with other Departments on a range of issues across Government and at EU level. This Department has a leading role on key Government objectives, including creating job opportunities, reducing the burden of red tape on business, enterprise supports, the research and innovation agendas, trade policy, competitiveness challenges, and access to finance for business.

At EU level, we have the lead and coordination role in respect of the Competitiveness, Employment and Social Affairs and Trade Councils, and we lead Ireland’s representation at the World Trade Organisation (WTO), the International Labour Organisation (ILO), and the World Intellectual Property Organisation (WIPO). Our engagement at EU level was particularly significant in the context of Ireland hosting the Presidency of the EU Council in the first half of 2013. This was Ireland’s 7th EU Presidency and the presidency was one of the largest and most challenging projects faced by this Department in 2013. Further details of the Department’s engagement with the Presidency are outlined later in this report.

World Trade Organisation

Both the European Union and the 28 EU Member States are members of the World Trade Organisation (WTO). The interests of the European Union and its member states are represented in the WTO by the European Commission when authorised by the EU Council. Through the Council’s Trade Policy Committee and ultimately in the EU’s Foreign Affairs Committee (Trade), which is the EU’s Council of Trade Ministers, Ireland fully participates in the formulation of the EU’s position with regard to trade and investment issues at the WTO and in other international organisations. This Department continues to be a strong advocate for Irish business and its global economic interests across all aspects of WTO activities.

Benefits of the EU Single Market

In its 20 years of existence, the Single Market has delivered enormous benefits to both businesses and consumers across the EU and has the potential to strongly boost the EU economy well into the future. It is estimated that the elimination of all intra-EU barriers to trade over ten years would increase the EU’s GDP by 14%. The European Commission found that abolishing restrictions in the services sector could boost GDP by 2.6%. In that context, the Department engaged in ongoing cooperation and interaction with the EU Commission on its work to improve the implementation of the Services Directive and on Single Market administrative cooperation tools, such as SOLVIT and the Internal Market Information system. The SOLVIT Centre continued to provide an informal problem-solving network associated with the denial of Internal Market rights or the misapplication of Internal Market law. The vast majority of these cases were finalised within the ten-week deadline.

Transposition of EU Directives

The EU Internal Market Scoreboard, which reports on Member States performance on the transposition of EU Directives, was published in November 2013. It showed Ireland's transposition deficit for transposing Directives was at 0.7%. This deficit is well below the 1% target set for all Member States.

European Semester

The Department also played a central role in processing the European Semester (a yearly cycle of economic policy co-ordination) and contributions to the Country Specific Recommendations in Council formations (Competitiveness and Employment, Social Policy, Health and Consumer Affairs (EPSCO)) through the Councils' advisory and preparatory Committees and Groups, in particular, the Employment Committee and the High Level Group on Competitiveness and Growth. Council conclusions were also achieved on the Annual Growth Survey 2013 and the 2013 Joint Employment Report was adopted.

Gender Balance on Boards

In November 2012, the European Commission published its proposals for a Directive to improve gender balance on the boards of listed companies. This Department worked with the Department of Justice and Equality as the negotiations continued throughout 2013, providing support on the company law aspects of the proposed Directive.

Enterprise Ireland's Role in Championing Enterprise

Enterprise Ireland (EI) operates as an Agency of the Department and is responsible for the development and growth of Irish enterprises in world markets. The work and activities of Enterprise Ireland contributes significantly to the championing of enterprise. Its client companies achieved record export sales of €17.1bn in 2013, with substantial growth coming from the Asia Pacific (increase of 19%) and North European (increase of 14%) markets. Food and Beverage sector exports grew by 10%.

Building on the programme of activity that commenced in 2012, Enterprise Ireland's Potential Exporters Division was bedded down in 2013. This Division of Enterprise Ireland aims to help new or early-stage export companies navigate the challenges associated with entering new markets by providing mentoring, financial and business advocate support. Geared towards encouraging more companies to consider exporting, 10 Export Awareness events were held in 2013, attended by 358 companies. In addition, 10 "Exploring Export" Workshops took place during the year, attended by 110 companies.

Enterprise Ireland's Job Expansion Fund was launched in 2011 to assist Enterprise Ireland client companies to achieve increased employment through increased sales and international trade. 3,620 net jobs were created in Enterprise Ireland client companies in 2013. This is the highest net jobs gain for EI Client Companies in 10 years. The Job Expansion Fund is designed to assist SME clients achieve enhanced growth through increased employment. The Fund provides grant support up to a maximum of €150k towards the recruitment of new employees. In 2013, Enterprise Ireland funded 102 (2012 56) job expansion projects with commitments of 1,153 (2012 627) additional jobs, to a value of €11m (2012 €6.2m).

During the year, the number of significant new overseas customers that client companies secured with assistance from Enterprise Ireland totalled 815, and notably, 38% of these new customers were in high-growth markets. In addition, 116 of our early-stage, high-potential start-up companies secured their first new international reference customer, again with significant input from Enterprise Ireland.

As part of Enterprise Ireland's drive to build capability in High Performance Start Ups (HPSU), the Agency piloted an Accelerated Growth Programme in 2012, with participation from 27 CEOs/owner-managers. During 2013, this initiative was expanded significantly with a further 41 CEOs joining the 24-month programme.

Enterprise Ireland has developed a number of flagship programmes, delivered by executive education partners, focused on supporting leadership and management and building international sales and marketing capabilities in Irish companies. Some 248 executives from client companies participated in significant management development programmes, while 845 executives took part in short programmes, both exceeding targets for 2013.

Enterprise Ireland has developed a Lean Business Offer designed specifically to help client companies address competitiveness issues. Since the programme was launched, participants have collectively reduced costs by millions of euro, grown sales and output and increased overall employment. The programme can be accessed at three levels of increasing advancement and commitment, based on a company's ability to absorb the lean tools and techniques, namely LeanStart, LeanPlus and LeanTransform. A total of 143 lean projects were supported by Enterprise Ireland during the year, comprising 80 LeanStarts, 43 LeanPlus assignments and 20 LeanTransform projects. Closely allied to Enterprise Ireland's lean business initiatives, the Agency has also developed a GreenTech offer, which provides companies with information, advice and funding to improve their environmental performance, reduce costs and access green markets.

Enterprise Ireland has developed a Company Health Check Service, based on an SME benchmarking system and global data. This provides clients with an objective view of just how good their competition is and where their own strengths and weaknesses lie. During 2013, 150 benchmarks were completed, with 12 companies availing of personalised, in-company service, helping them to prioritise areas and set targets for future action.

The County and City Enterprise Boards (CEBs)¹ continued to deliver a range of supports to the micro-enterprise sector, utilising a capital funding allocation of €18.2m to provide direct financial supports for company start-ups, business expansions and feasibility studies, and offering 'soft' supports such as mentoring, training and business advice to build capacity in the sector. Almost 28,000 participants availed of CEB training programmes, which included specific courses aimed at fostering increased levels of youth, female and senior entrepreneurship.

Enterprise Ireland also provides financial support for established SMEs and larger companies to sustain jobs, grow employment or expand their operations. In 2013, the Agency approved 194 support packages of €100k+ to established SMEs and large companies for companies planning an ambitious expansion that will create employment and grow sales in international markets.

¹ The 35 County Enterprise Boards were legally dissolved on 15th April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.

Enterprise Ireland supports tailored company expansion packages on a case-by-case basis for established SMEs and larger companies to grow employment or expand their operations, according to a defined business plan. These packages typically cover capital assets and job creation; R&D; training; management development and consultancy. In 2013, EI funded 194 established companies' expansion projects to a value of €90.97m.

In the Action Plan for Jobs 2012 Minister Bruton gave a commitment to improve access to information and enhance visibility of the supports that are available to businesses from Government Departments, their agencies and public bodies.

A range of the supports, both financial and non-financial, available from Government Departments, Offices and Agencies were identified and formed the basis for the compilation of a new webpage listing the supports available. The focus of the featured measures was to highlight supports that are available to assist companies to grow, improve productivity and create employment, with live links directly to detailed information on each of these schemes.

In May 2014 the SME online tool was launched. This tool was built with the focus on the information a small business needs and is accessible from over thirty different websites, majority of which are Government sites that SMEs use. By answering 8 simple questions, each user receives filtered results on the range of specialised Government supports that could possibly suit their business, information on Government access to credit schemes and the contact details for their nearest Local Enterprise Office to discuss any results in greater detail.

NSAI

In 2013, NSAI published 1,460 standards to bring its library of standards to nearly 25,000. NSAI facilitated 1,140 voluntary participants through the standardization process and convened a number of Consultative Committee meetings.

The NSAI's "*Your Standards Your Say*" web portal continued to prove popular, with over 1,200 registered users. In addition, NSAI actively promoted the benefits of standards through its national stakeholder networks. NSAI's consultative committee structures ensure that standards are written from a business-led, inclusive perspective and NSAI has been working to make sure that industry sectors and social interests are suitably represented.

In 2013, with the support of Enterprise Ireland, NSAI published SWiFT 11 (Specifications Written in Fast Track) - *Driving Competitiveness Using LEAN*. This SWiFT aims to help any Irish company get started on the LEAN journey of continuous improvement and is part of a national effort to help businesses become more efficient and effective in providing products and services.

Entrepreneurship Advisory Forum and Public Consultation

In consideration of the need to generate a step-change in the spirit and culture of entrepreneurship in Ireland, the Department is keen to take suggestions/advice from people who have actually taken the entrepreneurial route, have direct experience of the challenges facing entrepreneurs and can provide a relevant insight into the responses needed in the current economic environment.

To this end, the Department carried out 3 specific actions in 2013:

1. A public consultation was launched in May 2013 inviting interested parties to submit written views and suggestions to support the development of a National Entrepreneurship Policy Statement. 74 written submissions were received.
2. A number of face to face meetings were hosted by Department officials throughout the summer and autumn of 2013 with various entrepreneurs and stakeholders to obtain further views and ideas.
3. An Entrepreneurship Forum was established in May 2013 to examine the current environment and policy framework and to make recommendations aimed at further supporting entrepreneurship and business start-ups. Membership of the Entrepreneurship Forum consisted of entrepreneurs and academics with representation also from the Department and Enterprise Ireland. The Forum which was chaired by entrepreneur and investor Sean O'Sullivan made 69 recommendations.

The inputs, ideas and recommendations obtained from all of this work are a valuable contribution to the development of the Government's first ever National Entrepreneurship Policy Statement which is due to be published in 2014.

2. Improving Competitiveness and Access to Finance

Regain the competitive edge necessary to underpin a successful small open economy.

Sustainable economic growth depends on maintaining national competitiveness. Ireland's competitiveness is a key determinant of our ability to sell goods and services in the global market and to attract inward investment. Access to finance is essential for the development of a strong indigenous enterprise sector and for a return to growth in the domestic economy. It is also vital that the Government promotes competitive markets across the services that are critical to business and champions smarter regulation.

In Ireland we have built a strong competitive basis on which to compete on global markets, for investment from multinationals, and for markets for the goods and services that will create and sustain jobs. The National Competitiveness Council has pointed out that Ireland has become significantly more cost competitive since 2008 and this recovery has started to be reflected in international competitiveness rankings. The IMD World Competitiveness Yearbook 2013 showed Ireland's headline position improving to 17th in 2013, up from 20th in 2012 and 24th in 2011. The World Economic Forum's 2013 Global Competitiveness Index 2013-2014² rankings showed that Ireland broadly maintained its position at 28th in the rankings, after recovering to 27th position in 2012 (from 29th for the previous 2 years). There are a number of key areas where Ireland tops global lists, such as:

- business impact of rules on foreign direct investment;
- inflation;
- FDI and technology transfer;
- availability of skilled labour;
- flexibility and adaptability of the labour force; and
- investment incentives.

Ireland is also seen as a highly desirable location for foreign direct investment. The Ernst and Young Globalization Index 2012³ highlighted Ireland's position as the 3rd most globalised nation in terms of GDP, and remains the most globalised nation in the western world. Meanwhile, the IBM 2013 Global Location Trends Report⁴ ranks Ireland:

- First in the world for inward investment by average value of investments.
- First in the world for the added value and knowledge intensity of jobs created.

² Released September 2013

³ Released January 2013

⁴ Released December 2013

- First in Europe and second globally for the number of investment jobs per capita.
- Dublin rising to 11th destination city globally by projects.
- Ireland moved up to 9th ranking in the Innovation Union Scoreboard.

Ireland remains ahead of a number of other small countries in the latest international competitiveness rankings, such as Belgium and New Zealand. We need to make sure that we tackle those remaining areas where we can best support our enterprises and our people.

The EU Commission's Competitiveness Report 2013⁵ shows that Ireland is better than the EU average in the vast majority of the competitiveness indicators examined, including in relation to labour productivity, our share of high-tech exports, the energy intensity of industry, our overall business environment and early stage financing.

All of these results are a very positive base on which to build as the Department, its Agencies and the wider Government continue to strive towards the aim of Ireland becoming the best small country in the world in which to do business. They are also important indicators in the fight to ensure that Ireland recovers its international competitiveness, so as to be able to compete on global markets for both generating export sales and attracting further inward investment into Ireland, which will ultimately lead to companies being able to sustain existing jobs and create new ones.

Many of the actions which we are pursuing through the "Action Plan for Jobs" over the period 2012-2016 are aimed at improving Ireland's overall competitiveness - reducing costs and ensuring that key aspects of the enterprise environment (regulation, infrastructure, availability of skills) are supportive of job creation. These include the prioritisation of Research and Development investment, based on supporting research which underpins specific opportunities of direct relevance to enterprise and jobs.

There is a cross-Government initiative to reduce or freeze Government charges where possible. A number of Government Agencies and Departments, including this Department, have a focus on promoting energy efficiency for businesses. An audit of business licence requirements in the Retail Sector has been undertaken, and recommendations made to reduce the administrative burden for businesses. The EU Commission's Competitiveness Report 2013 acknowledges the actions that are being taken by the Irish Government under the Action Plan for Jobs to improve the areas of deficit and concludes that the breadth of the Plan and the way implementation has started are promising signs that we are making a determined effort to reduce the differences in the competitiveness of the domestic and multinational sectors.

Access to Finance

SME Credit Guarantee Scheme

The Credit Guarantee Scheme is targeted at supporting an additional flow of credit for SMEs and was introduced in 2012. The Credit Guarantee Scheme, which came into operation on 24 October 2012, is closely targeted at commercially viable, well performing enterprises that have a solid business plan and a defined market for their products or services which can demonstrate repayment capacity for the additional credit facilities but which cannot secure

⁵ Released 25 September 2013

credit facilities due to market inefficiencies. Ulster Bank, AIB and Bank of Ireland are participating in the Guarantee Scheme. The Guarantee Scheme provides a 75% guarantee to banks against losses on qualifying loans to job-creating firms to get the banks' lending again to industry and entrepreneurs. The minimum permissible loan value is €10,000 and the maximum is €1,000,000.

Review of the SME Credit Guarantee Scheme

As take-up was slow, an independent external review of the SME Credit Guarantee Scheme was commissioned, which was submitted in Q3 2013. The Department has worked with the Review Steering Committee (Membership is drawn from Department of Finance, Credit Review Office, Central Bank, Enterprise Ireland, Forfás, and Department of Public Expenditure and Reform) to determine the changes that can be made to the Credit Guarantee Act 2012, and the contents of a new Credit Guarantee Scheme, on foot of this review. The review also contained a number of recommendations outside of the legal framework such as awareness raising that can be pursued without the need for legislative changes. Recommendations were brought to and agreed by the Minister for Jobs, Enterprise and Innovation and are available on the Departments website (www.enterprise.gov.ie).

The changes to the Credit Guarantee Scheme, including enacting amending legislation, will be made in 2014.

Microenterprise Loan Fund

Microfinance Ireland was established to support lending to the most vulnerable cohort of our SME sector, the microenterprises. It was launched on 1st October 2012. This Government initiative is designed to stimulate lending to sustainable microenterprises and is targeted at start-up, established or growing micro enterprises across all industry sectors, employing up to 10 people. Loans are for amounts less than €25,000 and generally will be provided for business start-up costs, expansion costs and working capital.

A review of the operation of the Microenterprise Loan Fund Act 2012 will take place in 2014 pursuant to a legislative commitment. Under the Action Plan for Jobs 2014 this review will commence by end Q2 2014 with a view to enhancing the take-up and impact of the Scheme.

Seed and Venture Capital

As part of Budget 2013 the Government committed €175 million to the Seed and Venture Capital Scheme 2013-2018, with a target to leverage a further €525 million from the private sector making €700 million in additional capital available to high growth SMEs. Following the conclusion of an extensive and in-depth evaluation, the first call for expressions of interest under this Scheme has concluded and commitments of €99.5m were made to a number of funds in the Technology and Life Science sectors. When the successful funds have closed, completed fundraising and commenced investing in companies will be individually announced.

Venture Capital - Seed and Venture Capital Scheme 2007-2012

A third call for expressions of interest under the Seed and Venture Capital Scheme 2007-2012 was issued in July, 2012. As a result of this call the €40 million Frontline Ventures Fund I and €20m SOS ventures Fund were established and have commenced investing.

The timing of any further announcements is dependent on the completion of fundraising and legal agreements by venture capital managers and investors.

Investments in Irish companies under the Seed and Venture Capital Scheme (2007-2012)

Year	No of Companies	Value
2013	153	€59 million
2012	135	€54 million
2011	131	€60 million
2010	105	€42 million

Development Capital Scheme

The Development Capital Scheme makes available €225 million (€75 million State investment) in funding aimed at addressing a funding gap for mid-sized, high-growth, indigenous companies with significant prospects for jobs and export growth. The Scheme was established to create funds that would invest between €2 million and €10 million in medium sized established companies by way of equity, quasi equity and/or debt.

The funds are managed by private sector fund managers who will make their own commercial investment decisions in the context of an agreed investment strategy of the funds. The Minister for Jobs, Enterprise and Innovation announced the first fund under this Scheme in November 2013 and there are now three funds active in the market. The three funds are run by Carlyle Cardinal Ireland, MML Growth Capital Partners Ireland and the BDO Development Capital Fund.

Innovation Fund Ireland

Innovation Fund Ireland is an Irish Government initiative designed to attract leading international venture capital fund managers to Ireland. Innovation Fund Ireland funding involves Enterprise Ireland and the National Pensions Reserve Fund (NPRF) working in partnership. Both EI and NPRF bring approximately €125 million each to the table and make commitments to international Venture Fund Managers. These funds commit to establishing a presence in the Irish market and agree to invest, at a minimum, the equivalent of Enterprise Ireland's contribution in Irish companies or companies with significant operations in Ireland.

At the end of 2013 the NPRF and Enterprise Ireland have collectively made commitments resulting in five international venture capitalists establishing a presence in the Irish market. The five are Polaris, DFJ Esprit, Sofinnova, Highland and Lightstone Ventures. A further commitment has been made and will be announced in the near term.

3. Enterprise Development and Jobs

“Maximise jobs growth especially through the development of a strong indigenous enterprise base, the attraction of foreign direct investment, and the development of cross enterprise networks”.

A thriving enterprise base benefits society by providing sustainable economic growth, sustainable job creation, and raising standards of living. Enterprise policy in Ireland is targeted to provide a supportive environment for all businesses whether they are trading locally or exporting. It includes the provision of direct and indirect supports, in compliance with EU State Aid rules, to create, attract and grow enterprises that either export or have the potential to export.

The Department plays a central role in supporting enterprise development in Ireland and is assisted in this regard by its agencies including Forfás⁶, Enterprise Ireland (EI), IDA Ireland, the County and City Enterprise Boards⁷, Shannon Development⁸, Science Foundation Ireland (SFI), and the National Standards Authority of Ireland (NSAI).

The development agencies, the client groups of which vary from indigenous micro-enterprises to foreign multinational companies, focus on the broad objectives of:

- Fostering entrepreneurship and business start ups.
- Promoting Investment.
- Promoting exports.
- Enhancing the productivity, innovation, management capability and competitiveness of both indigenous firms and overseas companies based in Ireland.

⁶ Forfás was integrated with the Department of Jobs, Enterprise and Innovation on 1 August 2014.

⁷ The 35 CEBs were legally dissolved on 15 April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.

⁸ Shannon Development became part of Shannon Group plc in November 2014 and its enterprise support functions in relation to indigenous and overseas enterprises were assumed by Enterprise Ireland and IDA Ireland respectively

Action Plan for Jobs 2013

Building on the success of the 2011 Jobs Initiative, the Government launched the Action Plan for Jobs in 2012 as the first instalment in an ambitious multi-year process, aimed at increasing the number of people in work in Ireland by 100,000 by 2016. The Government published the Action Plan for Jobs 2013 in February 2013.



The objective of the Action Plan for Jobs is to transform the operating environment for business in order to support enterprise growth and enable job creation. The Government will achieve this objective by systematically removing obstacles to competitiveness, promoting innovation and trade, supporting new and existing businesses to develop and expand, and by deepening the impact of foreign direct investment in Ireland. The Government has also identified a number of key sectors where Ireland can gain competitive advantage in global markets and benefit from employment growth.

The 2013 Action Plan for Jobs was developed by the Department of Jobs, Enterprise and Innovation and Forfás, through engagement with all other Government Departments and 46 State Bodies with a role in supporting enterprise. The Plan contained 333 actions to be implemented in 2013, which built on the progress made in 2012. These actions continued to provide supports for job-creating businesses and remove the barriers to employment-creation across the economy. In a departure from the 2012 Plan, the Action Plan for Jobs 2013 contained seven headline 'Disruptive Reform' measures. These are high-impact initiatives with ambitious objectives, implemented in partnership with senior industry partners and selected because of their potential to have a significant effect on job creation. They include, for example:

- making Ireland one of the leading countries in Europe for Data Analytics - a sector that is growing by up to 40% per annum;
- establishing a world-renowned Health Innovation Hub to position Ireland as a leading location for medtech and healthcare companies;
- in relation to the Retail sector, creating a single licensing application, and stepping up the number of small businesses trading on-line.

The 333 actions contained in the Action Plan for Jobs 2013 were further broken down into 758 quarterly milestones or measures which were reported on at the end of each Quarter during 2013. The Quarterly Progress Reports are published on the Department's website, www.enterprise.gov.ie. The Progress Report for the 4th Quarter of 2013 showed that 94% of the quarterly milestones to be taken during 2013 were successfully delivered. They include many important reforms designed to enhance competitiveness, improve access to finance, to support enterprise and to develop employment in sectors of opportunity.

Some significant objectives were achieved in 2013, including:

- The introduction of the new JobsPlus scheme that provides supports to employers who take on workers who have been on the Live Register for 12 months or more;
- Establishment of a Big Data technology centre and joint Government/industry task-force, two pilot projects identified and further projects being assessed;
- Actions to address skills shortages in the ICT sector;
- Establishment of the Online trading pilot scheme;
- A new €175million Seed and Venture Capital Scheme, aimed at leveraging private sector funds to provide a total of €700million in funding to high-growth Irish companies with the potential to grow employment, as well as mentoring and networks;
- Establishment of the €125million Development Capital Scheme;
- Preparation of the roll-out of 31 Local Enterprise Offices across the country, a network of first-stop shops to deliver world-class services to start-ups and micro-businesses in every county in the country;
- The launch of a National Step Change Initiative for manufacturing businesses, as part of the Government's plan to supply 20,000 additional jobs in this sector;
- Progression towards creating a National Health Innovation Hub; and
- Working towards developing sectors such as Cloud Computing, Digital Games, Manufacturing, Retail and the Green Economy.

One of the outcomes of the Action Plan for Jobs process is a greater degree of collaboration between Government Departments to achieve the objectives set out in the Action Plan. Many of these require cross-Departmental collaboration. The rigorous monitoring of the Quarterly milestones by the Department of An Taoiseach has ensured a focus on delivering the objectives on time.

Despite a very difficult domestic and external economic environment, 2013 saw significant net job creation by Enterprise Ireland and IDA supported companies, building on the positive results of 2012 and following successive years of significant net job losses. While unemployment remains high, there are signs of progress in the wider labour market also. The end of year CSO Quarterly National Household Survey (QNHS) data showed that there was an annual increase in employment of 3.3% or 61,000 in the year to the fourth quarter of 2013, bringing total employment to 1,909,800. Employment increased in 10 of the 14 economic sectors, including Agriculture, Tourism, Professional and Scientific activities, all areas of focus for the Action Plan for Jobs. Unemployment fell by 41,400 in Quarter 4 of 2013 and the Unemployment Rate decreased to 12.1%, down from 15.1% in Quarter 1 of 2012.

The Action Plan for Jobs has proven to be an effective means to drive implementation of policy with each and every task having an owner and a timeline for delivery. There is a transparent system of quarterly progress reports which ensures that the public can scrutinise the implementation of actions. Implementation of the Action Plan for Jobs in 2012 and 2013 was

very high at 92% and 94% respectively. It has introduced oversight and accountability and the OECD, in its “Review of the Action Plan for Jobs”, acknowledged it as “public policy innovation”. In his foreword to the Review, the OECD Secretary General, Angel Gurría says: *“The AJP’s most striking innovation in the Irish public policy context is a coordination mechanism that ensures high level political buy-in and oversight, whole of government engagement and the establishment of quarterly targets underpinned by a robust monitoring system. These are important steps towards addressing long-standing gaps that undermine successful policy implementation”*. The OECD review also acknowledges that the plan is underpinned by sound policies, a focus on private sector led, export oriented job creation by getting the business conditions right.

The Action Plan process brings a “whole of government” focus on job creation, brings departments together, accelerates concrete measures towards improving competitiveness and has produced a more focused and collaborative approach by this Department and its Agencies. The plan focuses on those areas that are most important to business – Access to Finance, Costs, Productivity, Skills Availability, Research and Development and Innovation and Selling Abroad. It looks to build on strengths, develop new opportunities, and implements policies focused on supporting Irish enterprise and on attracting foreign direct investment in key sectors.

Access to Procurement for SMEs

The Action Plan for Jobs 2013 included a number of measures aimed at implementing the commitment in the Programme for Government to improve access to public procurement for SMEs. These included improving the capacity of SMEs to tender for public sector contracts, including through collaborative approaches, continuing to prioritise the reduction of barriers to entry for SMEs in competing for procurement opportunities, and examining possible approaches for enabling access for SMEs to opportunities arising under capital investment projects. These measures were delivered by various bodies, including Enterprise Ireland, InterTradeIreland, the newly formed Office of Government Procurement (OGP), the Department of Jobs, Enterprise and Innovation and the Department of Public Expenditure and Reform.

Enterprise Ireland has been encouraging client SMEs to register on the eTenders.ie and Procurement.ie websites so that they are alerted to upcoming public procurement opportunities. The agency has also been involved in “Meet the Buyer” events which bring together public sector buyers and potential suppliers. For example, over 500 suppliers met with a range of public sector buyers at each of the events, held in Belfast in September and in Dublin in October 2013, in conjunction with partner organisations. Enterprise Ireland ran two collaborative projects with the National Development Finance Agency (NDFA) in 2013 focussing on the Schools Bundles projects. Enterprise Ireland also organised two events in Ireland and two events overseas with the International Financial Institutions, including the World Bank, to support Irish companies seeking to participate in procurement contracts overseas.

The Department is keen to improve access by innovative SMEs to public procurement opportunities. The objective is to allow greater scope for innovative SMEs to offer new solutions that can provide better value for money and more effective products/services for Contracting Authorities.

In early 2013, Enterprise Ireland and the Department of Jobs, Enterprise and Innovation reviewed progress on the Procuring Innovation Initiative which was introduced in 2012, and to consider how best to extend the Initiative. Case studies have been developed on the two most advanced projects - ESB eCars and the Railway Procurement Agency projects. Other projects are at an earlier stage but three projects have been extended out to an additional 4 contracting authorities. Widening the procurement of innovation in the public sector is also being explored through the newly established High Level Group on SME Access to Public Procurement, which is chaired by the OGP and whose membership includes the Department, Enterprise Ireland and InterTrade Ireland. The Department is also a member of an SME Working Group on Access to Public Procurement, in the OGP, along with a number of business representative bodies.

Global Sourcing

The Global Sourcing project was a major area of focus for the Senior Management of two of our Agencies, Enterprise Ireland and IDA Ireland, in 2013. In seeking to address the objectives of the Action Plan for Jobs, the EI/IDA team focused on the implementation of the joint agency strategy which involved selecting, targeting and engaging with multinationals to gain a greater understanding of their sourcing requirements and identify opportunities for indigenous companies.

Attracting Inward Entrepreneurs

The EI/IDA Senior Management team were active in driving effective collaboration between respective teams in Enterprise Ireland and IDA Ireland during 2013 working on the inward entrepreneurs and emerging businesses agenda. This included:

- Common messaging and leveraging of marketing collateral to deliver the message overseas that Ireland is an excellent location for early stage companies;
- Regular engagement, sharing of pipelines and referral of potential clients between teams in Enterprise Ireland and IDA Ireland.

In order to maximise the impact of both agencies, joint participation in events overseas was progressed during 2013. For example, joint events aimed at attracting entrepreneurs and start-ups to Ireland were held at the SWSX event in Austin, Texas in March and Disrupt San Francisco (a TechCrunch event) in September 2013.

Regional Aid Guidelines

The Regional Aid Guidelines enable States to grant State Aid to businesses in order to support new investment and new employment in productive projects in Ireland's most disadvantaged regions and helps the convergence of these regions with the more advantaged regions of the Union.

Areas accounting for 51.28% of Ireland's population will be eligible for assistance under the new Regional Aid Guidelines, an increase from the 50% under the 2007-2013 Map.

A key issue for Ireland in the negotiations on the Regional Aid Guidelines with the Commission was the prospect of not being allowed to grant aid large enterprises.

Ireland was part of a group of Member States that successfully negotiated a compromise with the Commission whereby it will be possible to provide investment aid to large enterprises for new economic activities and diversification of existing enterprises into new products or new process innovation. Aid intensity rates were also maintained at their current levels.

It is important to note that all of the country, including those areas not entitled to Investment aid, can qualify for other forms of State support such as those mentioned above.

The areas to be included in the next Regional Aid Map were to be agreed with the Commission in the first half of 2014.

IDA Strategy – Horizon 2020

2013 was the fourth year of IDA's Horizon 2020 Strategy. The Strategy set high level goals of 62,000 new jobs (with an economic impact of 105,000 jobs) and 640 investments to be achieved over the five year period from 2010 to 2014. Over the course of the first four years of the five year strategy, IDA is ahead of target, having secured 582 investments against a five year target of 640 (91%) and has delivered an increase in gross job gains of 50,054 against a target of 44,600 (+ 12%). In the critical measure of net jobs, IDA has delivered 21,111 jobs against the four year target of 14,500 and the five year target of 25,000 (84%).

Economic Impact of Foreign Direct Investment

At the end of 2013 there were 166,184 people (including Shannon Development) working in 1,153 IDA client companies, the highest in IDA's history. 2013 was the fourth consecutive year of growth in net employment.

These companies continue to make a significant contribution to the wider Irish economy:

- IDA client exports increased by 15% to €121bn in 2012 from its base in 2010.
- IDA client companies spent €20.8bn in the Irish economy, an increase of 17% when compared with 2010 data. The expenditure of €20.8bn includes:
 - Payroll expenditure of €8bn, an increase of 9% from 2010
 - Expenditure on Irish sourced materials of €2.3bn, an increase of 44% from 2010.
 - Expenditure on Irish sourced services of €10.4bn, an increase of 18% from 2010

Ireland's International Ratings

Ireland continues to perform well in international rankings.

- 1st in the world for inward investment by quality and value.
- 1st in Europe and 2nd in the world for the number of investment jobs per capita.
- 1st for flexibility and adaptability of workforce.

- 1st in EU for completion of third level education.
- 3rd in the world for availability of skilled workforce.
- 4th for labour productivity.

Cross Border Enterprise Initiatives.

The Department continued to support the advancement of the 'all island' economy through the work of InterTrade Ireland and the enterprise theme of the Interreg Programme.

InterTradeIreland

InterTradeIreland is one of the six North/South Implementation Bodies established by the Good Friday Agreement and is co-funded by this Department and by the Department of Enterprise, Trade and Investment in Northern Ireland. During 2013, InterTradeIreland presented detailed progress reports on its work programme to two meetings of the North South Ministerial Council, in the Trade and Business Development sectoral format. The Body exceeded key targets for 2013, with over 3,300 firms utilising the Body's programmes and networks to develop their cross-border business capabilities. 79 of these firms were first time exporters and 75 firms became first time innovators as result of engaging in InterTradeIreland's programmes. Its activities also contributed to the creation or protection of 895 jobs in 2013. Business support programmes operated by InterTradeIreland during the year involved capacity building, export development, technology transfer, assistance on tendering and new product development. In addition, the Body is involved in developing cross border participation in the new EU Framework Programme for Research and Innovation (2014 – 2020) HORIZON 2020. The Body achieved an efficiency saving of 9% over the period 2011-2013. InterTradeIreland also published a number of reports based on its own research during 2013 including a quarterly Business Monitor Survey that reflected business sentiment among SMEs on both sides of the border, and a study on Access to Finance for growth for SMEs on the island of Ireland

Interreg – Enterprise Theme

Since 2007, under the EU Interreg IVA programme, an European Union supported Structural Funds Programme, the Department has jointly funded 28 enterprise development projects for the border region with its Northern Ireland counterpart Department, which will represent a total investment of about €70m by the time the programme is concluded in 2015. Some projects have now been completed but others are still underway. A notable initiative in 2013 was the commencement of construction of a Science Park facility in Letterkenny, which will cost €4.5m and, together with a partner development in Derry City, will assist in the development of science and innovation in the North West region.

Throughout 2013, the Department engaged with other stakeholders, including the EU Managing Authority, on the development of appropriate themes for the next round of the programme, which will run from 2014 until 2020. The new Programme is likely to involve support for specific Research and Innovation initiatives.

Protocol for Cooperation between the Department of Social Protection (DSP), the Department of Jobs Enterprise and Innovation (DJEI) and Enterprise Development Agencies

In 2013 a Protocol for cooperation was agreed between the Department of Social Protection, the Department of Jobs, Enterprise and Innovation and the Enterprise Development Agencies including Enterprise Ireland, IDA Ireland, and the County Enterprise Boards (CEBs)⁹.

The overarching aim of the protocol is to ensure that the recruitment of appropriately skilled persons from the live register by enterprise agency client companies is maximised, and to this end:

- To establish more structured links between Enterprise Development Agencies and the Department of Social Protection;
- To increase the sharing of information between Enterprise Development Agencies and the Department of Social Protection;
- To increase cooperation on awareness and promotion activities;
- To facilitate matching enterprise agency client company needs for existing and new projects with clients from the Live Register;
- To increase engagement on the conversion and training requirements of enterprise;
- To ensure client companies can avail of Intreo placement services, employer incentives and employer support services;
- To ensure that effective monitoring and reporting arrangements for recruitment from the Live Register are in place.

The effective delivery of the aims of the Protocol is overseen by a Steering Group comprising senior managers from each signatory organisation.

City and County Enterprise Board/Local Enterprise Offices¹⁰

During 2013 the Government decision to dissolve the County Enterprise Boards (CEBs) and establish new Local Enterprise Offices (LEOs) was significantly progressed. The LEOs will comprise the current CEB functions and those of the Business Development Units of the Local Authorities and will be the first-stop-shop through which all information on State supports for small and micro businesses can be accessed and where businesses with clear high growth potential can be fast-tracked to the next level of support from Enterprise Ireland. They will become an office of each Local Authority, overseen by Enterprise Ireland, with the policy and budgetary responsibility remaining with the Minister for Jobs, Enterprise and Innovation.

⁹ * The 35 Country Enterprise Boards were legally dissolved on 15 April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.

¹⁰ * The 35 Country Enterprise Boards were legally dissolved on 15 April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.

The LEOs will become the “front door” through which all information in relation to State supports for small and micro businesses can be signposted, and where companies with clear high growth potential can be seamlessly fast-tracked to the next level of support by way of progression to Enterprise Ireland. This will include access to national bodies with programmes relevant to small business as well as important local services and compliance requirements.

The progress made in the Department involved the following:

- County Enterprise Boards (Dissolution) Bill 2013 was published in July 2013 and it passed through all stages of the Seanad by the end of October.
- A new tender issued early in the year for the design and development of a new Local Enterprise Office website to replace the 36 existing County Enterprise Boards sites. The successful company were awarded the contract and the design was completed prior to the end of 2013.
- A new brand and associated logo for the LEOs was designed, agreed and launched.
- A new Framework Service Level Agreement between Enterprise Ireland and the Local Authorities was drafted, agreed and launched.
- Protocols were progressed between DJEI and Revenue; Credit Review Office; Microfinance Ireland and Skillnets regarding the new LEOs.
- A Centre of Excellence was established in Enterprise Ireland to oversee the new LEOs.
- Many practical issues were progressed in relation to areas such as financial, accommodation, resources, HR, ICT etc.

Details of the number of jobs associated with the CEB capital supports provided in 2013 are outlined below:

City and County Enterprise Board (CEB) Employment Statistics	Number
Total no. of Jobs Supported by CEBs – end 2013	34,791
Total no. of New Full-Time Jobs created by CEBs in 2013	1,311
Total no. of New Part-Time Jobs created by CEBs in 2013	250
Total no. of Net New Jobs created by CEBs in 2013	1,436

State Aid Modernisation

State Aid Regulation by the EU Commission has a major impact on all aspects of Irish Administration. The State Aid Modernisation process was a key element of the Irish Presidency. Nine meetings of the Competition Working Party were convened during 2013 to discuss two State Aid regulations: the Procedural Regulation, which sets out how complaints or formal investigations in State aid are addressed by the Commission, and the Enabling Regulation, which dictates how the Commission decides upon the scope of the types of aid that could in the future be covered by block exemptions. Once block exempted, certain aid can be brought into place by Member States without seeking prior permission from the Commission.

The Irish Presidency reached agreement on the issues between the Commission and Member States in May 2013. The agreement of the Permanent Representatives Committee and the Council followed thereafter, and the new Council Regulations were adopted.

The agreement achieved ensures more efficient and transparent monitoring of State Aid by the Commission, enhanced data-gathering processes and improved co-operation between the Commission and Member States' national courts. The reforms will also enable the Commission to focus on large and potentially distortive State Aids, while simplifying the procedures for 'good aid'.

4. Increasing Exports

“Support enterprises to achieve challenging export targets”.

Export-led growth is essential for a return to sustainable economic growth and it is identified as a key component of the Programme for Government. Exports lead to sustainable job opportunities and growth in revenues for firms beyond that available from the domestic economy and have a substantial ripple effect across the entire economy in terms of jobs and tax revenues. The Programme for Government sets out an integrated approach by Government to develop trade, tourism and investment and confirms a number of targets to be achieved by 2015. A key objective is to increase the number of new jobs directly associated with exporting enterprises by over 150,000, in manufacturing, tourism and internationally trading services, and with the creation of a similar number of new indirect jobs.

Exports 2013

In 2013, Irish exports reached a record level of some €179 bn. This was the fourth successive year for year on year export growth.

Service exports led the growth trajectory in 2013 with exports topping €92 bn, an 8% increase on 2012, and service exports showing a trade surplus in 2013. The main category of service exports was Computer Services which were valued at almost €39 bn and accounted for 42% of Service exports.

Goods exports amounted to almost €87bn in 2013 and once again there was a large surplus of over €37 bn in our goods trade. The main categories of goods exports were Medical and Pharmaceutical products (€21.6 bn) and Organic chemicals (mainly for pharmaceutical sector) (€18.3 bn). These two categories made up nearly half of all merchandise exports. The main destinations for Merchandise Exports in 2013 were USA (21%), UK (16%), Belgium (13%), Germany (8%), Switzerland (6%) and France (5%). China accounted for 2% of total goods exports.

Enterprise Ireland client companies achieved record export sales of €17.1bn in 2013, with substantial growth coming from the North American and Asia Pacific (increase of 19%) and North European (increase of 14%) markets. Non-food sector exports grew by 11%, while food sector exports were up by 2.3%. Food and Beverage sector exports grew by 10%.

The main categories of merchandise exports were Medical and pharmaceutical products (€24.4b) and Organic chemicals (mainly for pharmaceutical sector) (€20.1b). These two categories made up nearly half of all merchandise exports. The main destinations for Merchandise Exports in 2012 were USA (20%), UK (17%), Belgium (15%), Germany (8%), Switzerland (6%) and France (5%). China accounted for 2.4% of total merchandise exports.

Overseas Trade Events

2013 saw Ministers from this Department lead a number of Trade Missions abroad, to the USA, UK, Germany, Poland, Czech Republic and India. In July, Minister Bruton also led a joint EI / IDA trade and investment mission to Japan and China. In addition, Ministers from the Department attended trade and networking events abroad, while Ministers from other

Departments also led Trade Missions to promote a range of export orientated sectors that are intrinsic to our growth and job creation aspirations.

Trade Policy

Trade policy is an essential component of the Department's priority in helping firms export and create quality employment and contribute to the ambitious international trade objectives in the Action Plan for Jobs. It is estimated that every €1m in exports from indigenous firms sustains four jobs. Across the EU, 30m jobs depend on sales to the rest of the world, an increase of 10m since 1995. This reflects the importance of world trade to both Ireland and to very large numbers of EU consumers, whose spending power also contributes to the growing success of our exporters across Europe.

Export Control

Increasing exports is a key goal of the Department and controls and restrictions on international trade are, therefore, unusual. While this report outlines the measures taken to achieve export growth, running parallel to these are measures to ensure the safe and responsible export of controlled goods and technology.

The security, regional stability and human rights concerns which underpin export controls are of paramount importance to the Department. Export control is an area in which the Department's strategic goal of supporting and facilitating trade plays an important role, ensuring the export of sensitive goods is specially catered for in the context of safeguarding EU and global principles underpinning export controls. Ensuring the appropriate level of licensing on exports of dual-use and other goods and technologies is especially important in facilitating exporters expand and develop global activities in high technology sectors.

The Department issued 875 export licences in 2013. This figure is comprised of 754 individual dual-use licences, 13 global dual-use licences and 108 military licences. Statistics on the number and value of export licences are published periodically on the Department's website.

5. Regulation

“Make markets, including the labour markets, work more efficiently through smart regulation which encourages innovation, keen competition, high standards of compliance and consumer protection but without unnecessary regulatory costs”.

A well-functioning, robust and proportionate regulatory environment is a fundamental part of Ireland’s competitive offering. International benchmarking statistics reveal that Ireland imposes a relatively low burden of regulation on business and that Ireland’s regulatory environment is one of the more progressive and supportive environments for enterprise.

An effective and constructive regulatory environment must be supported through better business regulation, promoting competition and consumer rights, appropriately regulating enterprises, ensuring employment rights are protected and ensuring that workplace relations are well-managed including through the provision of the workplace relations machinery of the State. Further improving and modernising the regulatory environment provides an opportunity for Ireland to develop a competitive advantage which will foster and encourage the growth of enterprise on a sustainable basis. The Department has a number of Offices and Agencies with regulatory remits namely, the Competition Authority, the National Consumer Agency (NCA), the Office of the Director of Corporate Enforcement (ODCE), the Companies Registration Office (CRO), the Registry of Friendly Societies (RFS), the Irish Auditing and Accounting Supervisory Authority (IAASA), the National Employment Rights Authority (NERA), the Employment Appeals Tribunal (EAT), the Labour Relations Commission (LRC), the Labour Court, the Health and Safety Authority (HSA) the Patents Office, the Legal Metrology Unit of the NSAI and the Irish National Accreditation Board. The Department also undertakes regulatory functions itself including export licensing and employment permits.

In pursuance of this goal during 2013, the following Companies legislation was advanced:

The Companies (Miscellaneous Provisions) Act 2013, No 46 of 2013

The Companies (Miscellaneous Provisions) Act 2013, signed by the President on 23rd December 2013, contains the following provisions with respect to this Department’s functions:

- Examinership for small private companies - provides for the option to allow small private companies to apply directly to the Circuit Court to have an examiner appointed instead of having to apply to the High Court, thus resulting in cost savings.
- Amendments to the Circuit Court Rules were required to allow such companies to apply directly to the Circuit Court to have an examiner appointed. These Circuit Court Rules were the subject of an Order by the Minister for Justice and Equality, with an operational date of 14th July, 2014, coinciding with the operational date of the Commencement Order for Section 2 of the Act.
- Electronic filing of accounts with the CRO - simplifies the process of e-filing by companies of annual returns. The changes seek to reduce the administrative burden associated with the filing of accounts by companies.

- Designated Officer in ODCE: provision for certain contingencies that may arise - where the designated officer named in a search warrant is unable to act another designated officer may be substituted on the search warrant.
- Disclosure of information to the ODCE - allows specified regulatory authorities to disclose information relating to offences under the Companies Acts to the Director of Corporate Enforcement.
- Levy on statutory auditors/audit firms of Public Interest Entities (PIEs) – to defray the costs to the Irish Auditing and Accounting Supervisory Authority (IAASA) of carrying out the functions of external audit quality assurance in respect of these Public Interest Entities.
- Application of investigation and penalty systems to certain third country auditors - enables the Minister to make regulations for the application of investigation and penalty systems to certain third country auditors/audit entities which carry out audits of companies incorporated in specific third countries and territories whose transferable securities are admitted to trading on a regulated market in the State. The intention is that this function will be carried out by the Irish Auditing and Accounting Supervisory Authority (IAASA).

Competition and Consumer Protection Bill

The Department worked closely with the National Consumer Agency and the Competition Authority during 2013 to advance preparations for their amalgamation which will take place following the enactment of the Competition and Consumer Protection Bill.

Alternative Dispute Resolution for Consumer Disputes

During the Irish Presidency of the European Council, agreement was reached with the European Parliament on a Directive on alternative dispute resolution for consumer disputes and a regulation on consumer online dispute resolution. The Directive must be transposed into Irish law by Member States from 9th July, 2015 and the Regulation is directly applicable in Member States from 9th January, 2016.

As part of the Irish Presidency Agenda the Department succeeded in achieving a first read-through of the proposals for Regulation on Consumer Product Safety and the Regulation on Market Surveillance, which formed integral parts of the Commission's Single Market Act II package. The Department also presided over the signing of a co-operation agreement between the EU and the Swiss Federation on competition issues. Significant progress was made on the new legislative framework package of 9 technical harmonisation measures.

Reduction of Government Imposed Red-Tape on Business

The High Level Group on Business Regulation acts as a clearing house for red tape issues experienced by business and has membership from across the business community, Government Departments and Agencies and the unions. The Group meets five to six times a year, and during 2013, was chaired by the Minister for Small Business. Each year the Group identifies a small number of priority areas and sets up sub-groups, chaired by the members, to progress these. In 2013, the sub-groups tackled areas such as:

1. the reduction of regulatory burdens ex ante through transparent and systematic use of Regulatory Impact Analysis (RIA);
2. the administration of the Organisation of Working Time Act;
3. possible administrative simplifications that could assist part-time and casual workers;
4. issues identified by business in relation to Revenue's administrative procedures.

A key part of reducing regulatory burdens is better communication. Making it easier for small business and start-ups to identify the regulations that apply to them is crucial. In 2012 this Department developed and launched the www.businessregulation.ie web portal, which provides a single source of regulatory and compliance information for businesses, along with links to available supports. The portal helps businesses to identify the main regulations affecting them and reduces the need to search through multiple pages on different websites, by providing users with over 150 separate links to information, guidance and contact details. To complement this online information source, the Department brought together more than 25 Agencies, Offices and other Departments under the heading "Taking Care of Business" to run half-day business information events which include upwards of fifteen short presentations by the bodies and up to 30 information stands. This provides a broad range of priority information on regulation and supports for business, as well as encouraging informal two-way communication between public bodies and business. The first such event was held in the Printworks in Dublin Castle on 22nd October 2013, and was attended by more than 500 business people. Further events will take place in 2014.

During the Irish Presidency of the European Council, in the first half of 2013, the Department chaired the Better Regulation Working Group, resulting in agreed Council Conclusions on Smart Regulation at the May Competitiveness Council. These Conclusions agreed that Smart Regulation should focus on what boosts competitiveness and jobs, and called on the European Commission to take timely and transparent action to implement its Communication on Regulatory Fitness (REFIT) of December 2012 and its Communication on reducing burdens on SMEs of March 2013.

Supporting Co-operatives

The Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Bill 2013 which aims to ease the regulatory burden on co-operative societies and make it easier to start up and run a co-op as an alternative form of enterprise organisation was published on 23 July 2013. The legislation takes on board many of the issues raised by the co-operative sector itself as being areas of difficulty or constraint for the sector. In particular, it will:

- Allow individual societies to set their own limit on individual shareholdings in the society.
- Ease financial reporting restrictions by extending the period for the preparation and submission of the annual return and accounts.
- Make it easier for cancelled societies to be restored to the register.
- Ease fund-raising restrictions for non-agricultural societies.

Reform of the State's Workplace Relations Services

Work continued on the reform of the State's Workplace Relations Services. The Reform Programme will deliver a two tier Workplace Relations structure by merging the activities of the National Employment Rights Authority, the Labour Relations Commission, the Equality Tribunal and the first instance functions of the Employment Appeals Tribunal and the Labour Court into a new Body of First Instance, to be known as the Workplace Relations Commission. The appellate functions of the Employment Appeals Tribunal will be incorporated into an expanded Labour Court.

Significant progress, as follows, was achieved in 2013 insofar as the technological, structural, administrative and staffing changes required to underpin the Workplace Relations Reform Programme are concerned:

- Work continued, in liaison with the Office of the Attorney General, on the preparation of the Workplace Relations Bill which will give statutory effect to the Reform Programme;
- A new release of the Single Workplace Relations Complaints Form was launched,
- An e-complaint submission facility was introduced;
- New procedures for dealing with Unfair Dismissal and Multiple complaints were designed and implemented;
- The Final Single Workplace Relations Website was launched;
- A Single Decisions Database was designed and launched;
- The Pilot Early Resolution Service (ERS) was evaluated;
- The Staffing and Structures Plan for the Workplace Relations Commission and Labour Court was finalised;
- A Pilot Hearings Scheduling Project was undertaken and an interim Hearing Scheduling Tool was designed and tested;
- Planning for the interim rationalisation of existing complaint management systems was completed;

- A Request for Tender (RFT) for a Customer Relationship Management Solution (CRMS) was published;
- The Equality Tribunal was transferred and re-located to the Department;
- Further business process reviews (BPRs) of Complaints and Adjudication Operations were undertaken;
- A Training Programme for Adjudicators was designed and accredited.

Collective Bargaining

The Programme for Government contains a commitment to reform the current law on employees' right to engage in collective bargaining (the Industrial Relations (Amendment) Act 2001), so as to ensure compliance by the State with recent judgments of the European Court of Human Rights. In December 2012, Minister Bruton wrote to relevant stakeholders inviting submissions on the matter.

Over the course of 2013 a number of comprehensive submissions and presentations were received from a number of interested parties ranging from trade union representatives, employer representatives, State bodies and others.

Following consideration of the submissions and subsequent discussions, a series of meetings with representatives of the Irish Congress of Trade Unions, the Irish Business and Employers' Confederation and the American Chambers of Commerce took place with a view to developing proposals to bring to Cabinet in early 2014¹¹.

Sectoral Wage Setting

In the judgment delivered on 9 May 2013 in the McGowan case, the Supreme Court held that Part III of the Industrial Relations Act 1946 was invalid having regard to Article 15.2.1 of the Constitution. That Article provides, in effect, that the exclusive power to make laws is vested in the Oireachtas. The Supreme Court took the view that REAs were instruments having the status of laws made by private individuals. While the Constitution allows for the limited delegation of law making functions, the provisions of the 1946 Act went beyond what is permissible under the Constitution. The effect of this decision was to invalidate the registration of employment agreements previously registered under Part III of the 1946 Act.

Having considered the legal advice from the Attorney General on the implications of the Supreme Court ruling, and given the importance of the issue for employers and their employees, particularly in relation to rates of pay and tendering for contracts it was proposed to bring forward legislation to address the ruling and to provide for a revised legislative framework that would be fully informed by the Supreme Court judgment and be expected to withstand constitutional challenge in the future.

Work began on drafting the framework with a view to circulating to relevant stakeholders for consideration.

¹¹ The Industrial Relations (Amendment) Act 2015 was enacted on 22nd July 2015.

Joint Labour Committees

The Industrial Relations (Amendment) Act 2012 Act provides, inter alia, that a review of each Joint Labour Committee be carried out by the Labour Court. That Review was completed in April 2013. The review assisted the Labour Court's deliberations as to whether any JLC should be abolished, maintained in its current form, amalgamated with another JLC or its establishment order amended and the Labour Court made its recommendations to the Minister to this effect. Minister Bruton published the Report of the Review on October 1st 2013 along with his response to the recommendations contained in the Report.

Officials engaged with the Office of the Attorney General on drafting the Orders necessary to effect the recommendations.

Safety, Health and Chemicals Policy Safety

The number of workplace deaths reported to the Health and Safety Authority (HSA), fell from 48 in 2012 to 47 in 2013. The highest number of fatalities continued to be in the high-risk sectors of agriculture (16) and construction (11). In line with its risk-based approach to resource allocation, the HSA continued, throughout 2013, to direct its inspection activity towards these high-risk sectors.

Research has demonstrated that good health and safety practice makes good business sense. It aids competitiveness, improves relations with workers and should be a central consideration in any successful enterprise. Successful businesses in Ireland, both indigenous and multinational, are now placing best practice in health and safety at the core of their enterprise strategy.

The principal aim of workplace health and safety and chemicals regulation policy is to support the embedding of occupational safety and health as an integral part of doing business in every Irish workplace and to ensure that the manufacture and use of chemicals in Ireland does not impact human health or the environment. This policy is delivered through a strong but balanced legislative base supported by a compliance and risk-based enforcement regime operated by the HSA which is aimed primarily at reducing workplace accidents through the provision of guidance and support to employers and employees to enable them meet their obligations.

In tandem with ensuring workplace health and safety, the HSA also provides guidance and support to Irish businesses on the safe management of chemicals which are an important component of Ireland's manufacturing sector.

Reach

The chemicals regulatory regime as set out in EU Regulations such as REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and Classification, Labelling and Packaging (CLP) is complex and requires ongoing work at EU-level on implementation, review and amendment. The Department, with expert support from the HSA, services these demands. The Department and the HSA worked very closely together in 2013 to strive to maximise the support provided by the HSA to Irish manufacturers, importers and end-users as companies worked to comply with existing regulatory obligations and prepared for the REACH registration deadline of 1 June 2013.

Reducing the Administrative Burden

Continuing its commitment to the reduction in administrative burden, the HSA, throughout 2013, worked on expanding the range of businesses to which 'BeSMART' is available. BeSMART is the HSA's free online tool designed to help small business owners/managers to prepare risk assessments and safety statements for their workplace. This tool, now available to over 200 business types, aids compliance and saves time and money for businesses in meeting their legal obligations under the Safety, Health and Welfare at Work Act 2005. Surveys of business users conducted by the HSA have shown that companies using the system have reduced their compliance costs on average by 86% and the time taken to complete these requirements has reduced by 71%. See www.besmart.ie for more detail.

The Safety, Health and Welfare at Work (Construction) Regulations 2013 (S.I. No. 291 of 2013) came into effect on the 1 August 2013. Their introduction followed a comprehensive review of the previous legislation in the area by the HSA, at the request of the Minister, with the aim of reducing the overall administrative burden on stakeholders during the construction process. The 2013 Regulations consolidated and replaced six sets of previous Regulations introduced between 2006 and 2013.

Employment Permits

The focus of the Employment Permits system is to ensure that, where there are no sufficiently qualified candidates to fill a vacancy within the pool of available labour in the EEA, non-EEA nationals with those qualifications may be recruited so that enterprise can access the skills it needs to thrive. During 2013, a series of new reforms were introduced to the employment permits system to increase Ireland's attractiveness as a location for attracting these skills, in particular skills in the high-tech area. The reforms included an increase in the numbers of permits issued in the ICT sector, reduction in processing times, broadening the highly skilled eligible occupations lists and improved customer service and communications.

Work also continued on the drafting of new employment permits legislation¹² which when enacted in 2014 will rebalance previous legislation to enhance the employment permits system as a conduit for key skills which are required to develop enterprise in the State for all of our benefit, while simultaneously protecting the balance of the labour market and the employment rights of those migrants who come to work here.

In 2013, 3,863 Employment Permits issued of which 3,034 were new permits and 829 renewal permits. The processing target of 15 working days was largely met for the majority of Employment Permit applications during the year.

¹² Employment Permits (Amendment) Act was enacted in July 2014

Year	New	Renewal	Total	Refused	Withdrawn	Awaiting processing (backlog)	Live Permits Existing
2013	3,034	829	3,863	541	122	142	13,333
2012	2,919	1,088	4,007	829	246	179	14,245
2011	3,184	2,016	5,200	1,078	201	377	16,265
2010	3,394	3,877	7,211	990	199	999	18,987

Review of Intellectual Property legislation

The Programme for Government contains a commitment to review and update Intellectual Property legislation currently in place to benefit innovation. In April 2013 a regulatory impact analysis entitled “Review of Research Exemption Provision S42 (g) of the Patents Act 1992”, was published. Government subsequently approved the drafting of the Intellectual Property (Miscellaneous Provisions) Bill ¹³ in July 2013 to allow for broader interpretation of the research exemption which is of particular importance to the pharmaceutical and biopharmaceutical sector. The Bill will provide also for some technical amendments to our Trade Marks law and will allow Ireland to accede to a global Treaty on Trade Marks adopted in 2006 which aims to reduce red tape by harmonising the administrative procedures of trade mark offices worldwide.

In February 2013, during the Irish Presidency of the EU, 25 EU Member States signed the International Agreement on a Unified Patent Court. The Agreement provides for an international court that will, when operational, hear legal disputes relating to European patents, including those to be issued under the new EU-wide system that will take effect in 25 EU Member States. The EU-wide system is to come into effect simultaneously with the new Patent Court. Following the signing of the Agreement on the Patent Court, work commenced in 2013 and continues in 2014 on implementation work to establish the Court as well as on the setting of rules for the EU-wide unitary patent system. This work is overseen by two committees: one working on the implementation of the Patent Court and a second on the implementation of the EU-wide system. The Department participates in the work of both Committees.

¹³ Intellectual Property (Miscellaneous Provisions) Act was enacted in December 2014

The European Union (Term of Protection of Copyright and Certain Related Rights) (Directive 2011/77/EU) Regulations 2013 S.I. 411 of 2013

The Regulations transpose Directive 2011/77/EU of the European Parliament and of the Council on the term of protection of copyright and certain related rights which bring performers' protection under copyright law more in line with that already given to authors – 70 years after their death. The extended term will also benefit record producers who will generate additional revenue from the sale of records in shops and on the internet. Accompanying measures which aim specifically to help performers include: the “use it or lose it” clause that allows performers to get their rights in the work back if the record producer does not market the sound recording during the extended period of protection. A further provision requires record companies to set up a fund for session musicians into which they will have to pay 20% of their revenues earned during the extended period. The Regulations came into effect on 1 November 2013.

Copyright Review

The Copyright Review Committee appointed by the Minister in May 2011 published their report “Modernising Copyright” at the end of October 2013. The report, aimed at identifying any barriers for innovation in the digital environment and developing proposals for reducing them, is currently being analysed by Government with a view to bringing forward legislative proposals in this area in 2014.

A public forum was also convened at the Royal Irish Academy in December 2013 to allow the Committee to present its findings and the copyright community to probe these findings with members of the Committee.

6. Innovation

“Develop a board based innovation strategy to make our enterprises more competitive”

Strategic investment in science, technology and innovation is one of the Government’s infrastructure investment priorities. In order to realise the return on investment in this area, issues to be addressed include start-up risk, embedding innovation throughout the economy, the need for collaboration between industry and research providers and the need to bring the outputs of research and innovation activity to the marketplace. Ireland must develop an economy renowned for high productivity and high innovation. The guiding principle underpinning this aim is that excellence in research and translation into economic output is a key engine to accelerate Ireland’s economic recovery and the achievement of sustainable growth.

Achieving this goal requires us to maintain the standards in Research that Ireland has worked hard to achieve, support innovation in indigenous Irish enterprises, and build innovative capacity in the FDI sector. It also involves ensuring that the business environment supports innovation, and seeking to explore and exploit international linkages.

The current policy is to accelerate the economic and societal return on our Science, Technology and Innovation (STI) investment, especially in terms of sustainable jobs and to maintain the level of excellence in research in Ireland. A number of initiatives are being rolled out across Government in support of this strategy. Implementation across Government Departments and agencies of the recommendations of the Research Prioritisation Steering Group seeks to maximise the impact of our spend by focussing the majority of public competitive research funding on 14 priority areas which are most likely to deliver societal and economic impact. Other initiatives include expanding the remit of Science Foundation Ireland to cover applied research; a new Intellectual Property Protocol which gives more clarity and certainty around ownership of IP emerging from state funded research; the establishment of a Central Technology Transfer Office, Knowledge Transfer Ireland, to act as a central reference point providing an effective interface between industry and the research community and the R&D tax credit scheme which continues to encourage business to invest in research.

Research Prioritisation

The Report of the Research Prioritisation Steering Group, published in March 2012, recommended 14 areas of opportunity, as well as underpinning technologies and infrastructure to support these priority areas, which should receive the majority of public investment in STI over a five year period. The report also recommended a number of measures which were required to improve the efficiency and effectiveness of the STI system in order to support the implementation of prioritisation. In 2012, the Government agreed to the adoption of the report’s recommendations as a whole of Government policy goal and the future alignment of the majority of public STI investment with the 14 areas of opportunity. In July 2013, the Government approved and published Action Plans for the respective Priority Areas, which set out in detail the steps necessary in order to realise the opportunity associated with the Priority Areas. A Framework of Metrics and Targets (‘Research Prioritisation: A Framework for Monitoring Public Investment in Science, Technology and Innovation’) to measure the outputs and impact of funding provided was also adopted by Government in July 2013. In

In addition, a series of six workshops was held in October and November 2013 to facilitate the sharing of intelligence between the agencies to capture enterprise research needs across the 14 Priority Areas. The Prioritisation Action Group (PAG), under the chairmanship and political leadership of the Minister for Research and Innovation, Sean Sherlock TD, and supported by the Department of Jobs, Enterprise and Innovation and Forfás continued to drive implementation of Research Prioritisation, under the broader authority of the Cabinet Committee for Economic Recovery and Jobs.

In October 2013 the Industrial Development (Science Foundation Ireland) (Amendment) Act 2012 was signed into law. The Act extends the remit of SFI to include funding of applied research in addition to its current remit of funding oriented basic research. The Act will also refocus the priority areas of SFI's funding towards the areas of greatest potential for Ireland's economic growth and competitiveness. These are the areas identified in the National Research Prioritisation Exercise. The Act also extends SFI's supports for research excellence on an all-Island basis as well as providing for opportunities for Ireland to deepen research collaborations on a wider pan-European level.

The annual Innovation Union Scoreboard gives a comparative assessment of the innovation performance of the EU 27 Member States and the relative strengths and weaknesses of their research and innovation systems. In the 2013 Scoreboard, published in March 2014, Ireland shows an improvement in performance and remains above the EU 27 average (9th place, up from 10th in 2012) and amongst a group of 'Innovation Followers'. Ireland is notably overall leader in the indicator of the economic effects of innovation, which captures the economic success of innovation in employment in knowledge-intensive activities, the contribution of medium and high tech product exports to the trade balance, exports of knowledge-intensive services, sales due to innovation activities and license and patent revenues from selling technologies abroad. Ireland also performed well in human resources, including percentage of the population with tertiary education, employment in knowledge-intensive services and knowledge-intensive services exports. The general trend of Ireland's innovation performance has been upwards at 110% of the EU average in relation to this 2013 Innovation Union Scoreboard.

The Department (and formerly Forfás) and the Central Statistics Office (CSO) monitor key indicators on an annual basis, such as BERD, HERD, GovRD and GERD, amongst others. Also, the Community Innovation Survey is a biennial survey of innovation activities of enterprises in Ireland and other EU Member States and is jointly conducted by the CSO and the Department.

The Programme of Research in Third-Level Institutions

Technology Centres are collaborative entities established and led by industry; focused on research with a direct impact on industry. In 2013, two new Technology Centres were established in the areas of data analytics and pharmaceutical manufacturing technology while the Food for Health Ireland Technology Centre entered its second phase of funding with a focus on the health benefits of "milk mining". Existing Technology Centres were supported in the areas of biorefining and bioenergy; IT innovation; financial services; eLearning innovation; cloud computing; applied nanotechnology; composite materials; microelectronics; food for health, manufacturing and energy efficiency. Preparations are well advanced for the development of a further two centres over the coming year in the areas of connected health and dairy processing technology and to explore the industry need for a Meat Technology Centre all of which are aligned to research priority areas.

During 2013, Enterprise Ireland launched the €23m Technology Gateways programme as a nationwide network to support the next generation of industry-led centres in the Institutes of Technology. These Gateways will provide an 'open access' mechanism by which regional and national industry can harness the technological expertise within the Institutes of Technology.

Supporting Collaborative Research

Effective industry-academic collaboration is essential for the translation of the best ideas from the lab into innovative new products and services and, ultimately, the delivery of quality, sustainable jobs. In 2013, Enterprise Ireland recorded 839 collaborative interactions between industry and the higher education sector.

Fifty eight Innovation Partnerships were funded by Enterprise Ireland in 2013 to support collaborative research between a company and a higher education research team. Enterprise Ireland also funded 527 Innovation Vouchers, allowing SMEs and microbusinesses to commission a small piece of research with a €5,000 voucher. This scheme plays an important role in helping smaller companies solve a business problem or take the first steps into research and development.

National Intellectual Property Protocol - Knowledge Transfer Ireland

A Director was appointed to the new central technology transfer office in September 2013 and this new office was officially launched as Knowledge Transfer Ireland in 2014. The role of Knowledge Transfer Ireland is to make it easier to commercialise – and ultimately create viable businesses and jobs from – State funded research across all third level institutes across the country. The formation of one office with responsibility for centralising national technology and knowledge transfer activity was a key recommendation of the Intellectual Property Protocol, published in 2012. Knowledge Transfer Ireland is a partnership between Enterprise Ireland and the Irish Universities Association

Transferring Technology from Research to the Marketplace

Throughout the year, Enterprise Ireland's Technology Transfer Strengthening Initiative continued to transform how research with commercial potential, developed within Higher Education Institutes, is brought to the marketplace. Overall in 2013, with the support of the Technology Transfer Strengthening Initiative, 34 companies were spun out from Ireland's colleges, and 119 commercially valuable packages of technologies and intellectual property were transferred to companies.

In February 2012 Minister Sherlock announced funding of €6.5m through the joint SFI/Enterprise Ireland Technology Innovation Development Award (TIDA) programme. This TIDA funding, administered by SFI, will support 69 awards in 2013, the purpose being to realise a greater economic impact from the state investment in oriented basic research.

Horizon 2020 Target and Strategy

In 2013, the Government agreed an ambitious target for Irish researchers to win funding of €1.25 billion over the lifetime of Horizon 2020. The Horizon 2020 High Level Group, chaired by DJEI, meeting regularly during the course of the seven year programme, will oversee the implementation of the Horizon 2020 strategy to ensure that all of the actors involved in the national research system work towards securing the maximum benefits from Horizon 2020 for Ireland and achieve the national target of €1.25 billion from the programme.

The National Support Structure for Horizon 2020 will build on the experience of the support structure for the previous Research Framework Programme, FP7 (2006-2013). As with FP7, Enterprise Ireland will provide the lead national role across all research funding organisations in promoting and supporting Ireland's participation in Horizon 2020. A network of National Contact Points (NCPs) and National Delegates (NDs) covers each of the subject areas in Horizon 2020 to ensure that researchers and enterprises have a nominated individual who they can turn to for practical advice and assistance with regard to availing of Horizon 2020 opportunities.

European Union's 7th Framework Programme for Research and Technology Development (FP7)

During 2013 final funding calls under the 7th EU Research framework Programme took place. On the basis of results of FP7 calls notified by the European Commission up to July 2014, participants from Ireland have secured funding commitments on the basis of research contracts awarded, totalling €621m over the period of FP7, thus indicating that the national target of €600m in funding from FP7 has been achieved.

European Research Area (ERA)

The European Union has the objective of strengthening its scientific and technological bases by achieving a European Research Area in which researchers, knowledge and technology circulate freely. The European Commission's 2013 ERA Progress Report noted that "Science, Technology and Innovation system in Ireland is evolving towards a strong prioritisation of research areas, focused on innovation for growth and jobs. Well aligned with the ERA priority to promote effective national research systems, peer-reviewed competitive funding continues to prevail in Ireland".

7. Developing Sectors with Potential:

“Prioritise sectors of opportunity and systematically remove obstacles and develop enabling policies”

Pharma and chemicals, ICT, and international financial services are examples of sectors which now provide significant employment in Ireland, contribute substantially to exports and have attracted many of the world’s leading companies to locate in Ireland over the last two decades. While these sectors will continue to play an important role in the Irish economy, it is also important to seek to catch the next wave of emerging sectors so that Ireland benefits from the creation of sustainable long-term jobs. This involves targeting new sectors actively, and urgently identifying and removing obstacles that may stand in the way of such opportunities.

Sectors which have been identified as holding significant potential for Ireland include Health, LifeSciences and Medtech, “Silver Technology, Cloud Computing, Digital Economy and Media Services, the Video Games Sector (especially Digital Gaming), and the Green Economy (especially Cleantech). The Government also placed a specific focus on the domestic economy in the 2013 Action Plan for Jobs, including the retail sector.

A consortium of Higher Education institutions was awarded €1.2m to carry out the initial research phase of Ireland’s Cloud Computing Technology Centre. An industry-led Clustering Development Team has been established to drive implementation of the Forfás Games Strategy. Particular attention is being given to identifying the training and educational needs of the companies operating in the games sector and exploring how State agencies represented can meet these

The fourth Internet Growth Acceleration Programme (iGap) was launched in October 2012. iGap is an intensive management development programme for high potential internet/games companies, aimed at equipping them with the practical tools needed to formulate international growth plans and scale their businesses.

Creating Green Jobs

The Green Economy presents a major opportunity for employment creation in Ireland and for the development of indigenous enterprise. It will contribute to securing sustainable economic growth in the medium term.

The term Green Economy covers a wide range of sectors that have in common the objective of providing goods and services in a sustainable way that reduces the impact on the environment and contributes to the circular economy.

In Ireland this covers activities such as sustainable food production, tourism, green financial services, green products and services, waste and water management, renewable energy and energy efficiency.

In 2013, the Minister for Jobs, Enterprise and Innovation established and chaired a Consultative Committee on Jobs in the Green Economy to identify emerging opportunities for Ireland. The committee met three times in 2013 and examined opportunities in the waste and

green products and services sectors as well as looking at Green Economy actions for inclusion in the 2014 Action Plan for Jobs.

The Government Policy Statement on Growth and Jobs in the Green Economy, Delivering our Green Potential, published in late 2012, attracted national and international media attention throughout 2013 and has been broadly welcomed by industry. The Policy Statement was used extensively by Government agencies to support Green Economy initiatives. In addition, it was used by representatives of the Green International Financial Services Centre to highlight Ireland's commitment to developing the Green Economy.

A Progress Report on Growth and Employment in the Green Economy in Ireland was published in December 2013 and highlights developments in the Green Economy since the publication of Delivering our Green Potential as well as including examples of enterprises and projects that are creating jobs, driving exports and improving competitiveness through their activities.

The Department of Jobs, Enterprise and Innovation continued to represent Ireland on the European Ecodesign Committee including the transposition of S.I. 454/2013, which enacted the amended European Ecodesign Regulations into Irish law.

ICT Sector

Work commenced in 2013, in partnership with the Department of Education and Skills, on development of a revised ICT Skills Action Plan to run from 2014 to 2018. The plan will build on progress made under the 2012 ICT Skills Action Plan and will respond, in partnership with Industry, to the Expert Group on Future Skills Needs forecasts of 44,500 job openings to 2018.

Health Innovation Hub

The Government continued to support a pilot Health Innovation Hub, based in UCC, which is supporting the development and commercialisation of new ideas from domestic enterprise, and which will benefit the Irish healthcare system. A second call for proposals took place in December 2013, and included an 'Open Call' for applications from companies whose innovative projects and ideas have the potential to significantly address any area of the broad spectrum of healthcare sector needs, as well as a 'Focused Call' in Infection Control and Hygiene Management. Learning from this pilot, preparations are underway to roll out a National Health Innovation Hub in 2014 to drive collaboration between the health system and enterprise, leading to the development and commercialisation of new healthcare technologies, products and services.

Retail Sector

The Retail sector plays an important part in the domestic economy. It accounts for approximately 10% of GDP (approx. €16 bn). Together with the Wholesale sector, it employs 270,000 people in Ireland, representing approximately 15% of the workforce. The sector provides employment in every community in the country and is an important part of every locality. In addition, Retail indirectly supports jobs in other areas, such as logistics and distribution and provides an important outlet for Irish products. The Retail Sector was badly hit by the economic crisis and the consequent loss in consumer confidence. Over the period Q1 2008 to Q1 2012, 48,000 jobs were lost in Wholesale and Retail.

In recognising the importance of the retail sector to the economy, the 2013 Action Plan for Jobs contained a number of measures aimed at supporting the sector. These included:

- an initiative to increase the number of small businesses trading on-line;
- an initiative to streamline business licence application procedures;
- the establishment of an Inter-Departmental Group to identify further possible actions that could be taken to support the maintenance and creation of jobs in the sector.

The Department of Jobs, Enterprise and Innovation established an Interdepartmental Group (IDG) on the Retail Sector in May 2013, which included a number of other relevant Government Departments and whose task was to identify, through consultation with representatives of the retail sector, whether any practical actions could be taken by the Government to support job creation/retention in the retail sector, beyond those already included in the 2013 Action Plan.

The IDG met with, and received submissions from, the main bodies representing the retail sector and other stakeholders, and received a range of submissions and suggestions from these stakeholders.

The submissions included a number of proposals, which were assessed by the IDG. Some of the proposals were already acted on by relevant Departments, while other measures supportive of the retail sector were announced in Budget 2014, such as the retention of the 9% VAT rate. A report of the conclusion of the work of the IDG was presented to the Cabinet Committee on Economic Recovery and Jobs in December 2013, outlining a number of actions recommended for implementation in the context of the 2014 Action Plan for Jobs.

Corporate Social Responsibility

The EU Commission published “A renewed EU strategy 2011-14 for Corporate Social Responsibility” in 2011, which included a call for all EU Member States to develop or update National Plans to promote Corporate Social Responsibility (CSR). The process to develop Ireland’s first national plan on CSR, which fulfils this call, was commenced by the Department in 2013.

The Department began a consultation process with key stakeholders in the CSR landscape in Ireland in early 2013. This included relevant Government Departments and the main business representative organisations, as well as engagement with Business in the Community Ireland (BITCI), one of the main stakeholders representing business CSR activity in Ireland.

Following this consultation process, a draft plan was produced and submitted to Government for approval at the end of 2013. The National Plan on CSR sets out the general framework within which CSR operates in Ireland, and outlines the key principles and objectives which underpin the Government’s approach to CSR. It also seeks to communicate a common understanding of CSR by outlining the Pillars on which CSR is based in Ireland. The Pillars are: Workplace, Environment, Marketplace, Community and the Public sector.

A number of key objectives were set out in the National Plan on CSR which will be delivered progressively over the period to 2016, through a collaborative approach with the business sector. The objectives are as follows:

- Increasing awareness of CSR, its value to businesses and to society as a whole.
- Encouraging enterprises to develop and implement CSR policies and practices and mainstream them into their core business operations.
- Encouraging more small and medium-sized enterprises to build CSR capacity.
- Increasing transparency and reporting of CSR activity by enterprises operating in Ireland.
- Anchoring CSR principles in public bodies in the context of their own operations.

The National Plan was finalised in late 2013 and was published in early 2014.

US-Ireland R&D Partnership

Up to the end of 2013, fourteen projects had been awarded a total of €22.2 million from a combination of sources in the successful US-Ireland R&D Partnership. Close cooperation has been developed between Agencies and Departments, north and south of the border and with our US counterparts. The outgoing Irish Co-Chair to the Partnership, Dr Killian Halpin, who held the post since the establishment of the US-Ireland R&D Partnership Steering Group in 2006, stepped down from the post in 2013. Feargal Ó'Móráin, retired Executive Director of Enterprise Ireland, was appointed as the new Irish Co-Chair to the Partnership Steering Group, with effect from November 1st 2013.

Delivering the Strategy and Managing Change

Delivering the Strategy and Managing Change

The Department's ambition is to become a pioneer of best practice in the Civil Service in setting and delivering on performance targets. The importance of this is underlined by the fact that we are seeking to achieve our strategic goals against a background of a significant reduction in staffing levels and financial resources.

Institutional Reform

Dissolution of Forfás and integration of staff and functions into the Department:

As part of the Public Service Reform Plan, the Minister for Jobs, Enterprise and Innovation, in the latter part of 2011, undertook to review how functions currently carried out by Forfás might be integrated with the resources of the Department in order to further enhance the formulation and implementation of national enterprise policy. Following consideration of the matter and engagement with the Board of Forfás, the Minister decided in May 2012 to integrate the research and policy advisory functions of Forfás into the Department of Jobs, Enterprise and Innovation. The staff of Forfás engaged in delivering these functions would transfer into the Department, together with relevant support staff from the agency. The non-policy functions which Forfás carries out on behalf of other agencies would be transferred into the Department or to other agencies under the remit of the Department, as appropriate, together with the relevant staff resources.

An Implementation Team, chaired by the Department's Secretary General, was established to identify the issues to be addressed to facilitate the transfer of Forfás' functions and staff and to oversee the integration project.

The legislation to give effect to the Government Decision to dissolve Forfás and transfer its staff and functions as appropriate to the Department of Jobs, Enterprise and Innovation and a number of Agencies was published on 23 December 2013.

The legislation provides for the following key changes:

- The integration of the research and policy advisory functions of Forfás into the Department;
- The transfer of functions conferred upon Forfás and assigned to Enterprise Ireland and IDA Ireland (IDA) directly to Enterprise Ireland and IDA as appropriate;
- The strengthening and transfer of the accreditation function and the transfer of staff of the Irish National Accreditation Board (INAB), which is a Committee of Forfás, to the Health and Safety Authority (HSA) with INAB becoming a Committee of the HSA;
- Staff working in Forfás to transfer to the Department as civil servants or as fixed term employees as appropriate;
- The dissolution of Forfás and transitional and related matters.

Considerable progress was made in 2013 on all aspects of the dissolution and integration of Forfás in parallel with the preparation of the legislation, including:

- The reduction in size of the Board of Forfás from 13 members to 6 members to oversee the orderly hand-over of Forfás' functions;
- The transfer of the Facilities, Property Management and Reception/Switchboard services from Forfás to IDA Ireland in July 2013;
- The transfer of the Forfás ICT budget into the overall Department's ICT budget in January 2013;
- The establishment of project teams to oversee the transfer of INAB to the HSA and the transfer of Science Foundation Ireland (SFI) payroll functions to Enterprise Ireland;
- Preparation by teams from the different corporate services units in the Department and Forfás of the effective integration of the relevant non-policy functions of Forfás into the Department;
- Plans for the restructuring of the Department to give effect to the decision to integrate Forfás.

The Industrial Development (Forfás Dissolution) Act 2014 was subsequently enacted in June 2014 and the integration of the Research and Policy advisory functions became effective on 1 August 2014.

Reform of the State's Workplace Industrial Relations Services and Structures

Significant progress was achieved to the end of 2013, in advance of the enabling legislation, insofar as the technological, structural, administrative and staffing changes required to underpin the Workplace Relations Reform Programme are concerned. These included the Single Contact Portal, E-complaint facility, Staffing and Structures Plan, Workplace Relations website, Early Resolution Service, Adjudicator training and recruitment plans, and enhanced technologies and processes.

Significant progress was made on reform including business process improvements, the rationalisation of services, the design of new structures and the preparation of enabling legislation. The successful initiation of this project has included the transfer of the Equality Tribunal to the Department in January 2013.

Creation of Local Enterprise Offices and the dissolution of City and Country Enterprise Boards

The programme for Government contains a commitment to reform the system for delivery of State supports to micro and small enterprises by dissolving the current County Enterprise Boards' (CEBs) structure and creating an enhanced national enterprise support model to be delivered by Local Authorities on behalf of Enterprise Ireland through Local Enterprise Offices (LEOs).

The creation of the LEOs will see the establishment of a First-Stop-Shop for new entrepreneurs and existing micro and small business owners. The LEOs will be supported by Enterprise Ireland's Micro Enterprise and Small Business Division which has established a Centre of Excellence responsible for developing an improved environment for small and micro business and utilising Enterprise Ireland's experience and specialised sectoral approaches to business innovation and development.

Significant progress has been made on the reform process during 2013 and the target date for commencement of the legislation is Q2, 2014¹⁴.



Shannon Development

On 27 November 2012 the Government decided to proceed with the separation of Shannon Airport (SAA) from the Dublin Airport Authority (DAA) and to merge the airport with a restructured Shannon Development to form a new commercial integrated Shannon entity in public ownership (Shannon Group). Shannon Airport was separated from the Dublin Airport Authority on 31 December 2012 by Order.

During 2013 Shannon Development was restructured with functions in relation to indigenous enterprises and foreign direct investment being transferred to Enterprise Ireland and IDA Ireland respectively. Its tourism functions were transferred to Fáilte Ireland.

The purpose of establishing a new State-owned commercial entity comprising Shannon Airport Authority (SAA) and a restructured Shannon Development is to exploit the combined assets of the two companies, to act as a catalyst for the development of strategic sectoral opportunities, particularly in the aviation sector, including the expansion and development of an aviation services centre.

¹⁴ The 35 Country Enterprise Boards were legally dissolved on 15 April 2014 and 31 Local Enterprise Offices were established and open for business on the same day.

Personnel, Learning and Development and Business Services Units

ICT Strategy

During 2013, the functions and staff of the Equality Tribunal were amalgamated into the Department, including the successful transfer of all Equality Tribunal systems. The Department also worked with Forfás to progress the integration of these two bodies, including close cooperation to progress the integration of ICT systems and supports. Significant progress was also made supporting the integration of ICT systems to support the integration of the Workplace Relations Commission bodies.

Performance Management and Staff Development

The Department also worked assiduously to drive the ongoing performance and management development agenda for its staff in 2013 where the reduction in staffing levels for the Department and its family of Agencies was further progressed. Specifically, an update to the 2012 Workforce Planning Action Plan was prepared in 2013. Guidelines for internal mobility of staff were also drafted. As part of a strategy of strengthening governance capacity, customised training in Managing State Agencies was provided during 2013 to staff of business units that oversee the activities of the Department's Agencies. Training sessions were provided for all staff on changes to the PMDS system. More generally, the Department, through the Personnel and Learning and Development functions continued to support management and staff develop their capacities to deliver the very challenging mission of the Department set by Government in the areas of employment promotion and public sector reform, among others.

Financial Management Shared Services

During 2013, the Department, through officials from its Finance, Management Support and Business Services Units actively participated in the Department of Public Expenditure and Reform led "Financial Management Shared Services" (FMSS) project. The FMSS is a multi-phased project spanning the Civil Service, Defence and Justice sectors. It will streamline transactional payments, accounting, payroll, travel and procurement related activities across large parts of the civil and public service in the coming years.

Cross-functional and cross-Departmental collaboration

During 2012, the Department began rolling out a suite of collaboration tools to address some of the issues traditionally faced by organisations such as the development of knowledge silos and loss of corporate memory. These tools are now being used in a number of areas where teams are geographically dispersed or a requirement for cross functional collaboration is required. For example, staff in the Department's Workplace Relations Reform Programme Office have been using these tools to collaborate internally with the Workplace Relations Bodies and other internal stakeholders on the design and implementation of the Reform Programme.

Delivering the Strategy and Managing Change

In line with Government policy on reducing public sector numbers and working smarter, the HSA, an Agency of the Department, during the first quarter of 2013 reviewed its structure and successfully restructured from a four to a three divisional model. Notwithstanding the

difficulties presented by this fundamental overhaul, the HSA is committed to meeting its change management obligations in the context of the ongoing economic challenges whilst continuing its drive to achieve improvements in workplace health and safety and chemicals management.

Prompt Payments in 2013

Details	Number	Value	Percentage (%) of total payments made (Number)
Number of payments made within 15 days	5,937	64,579,602	86.18%
Number of payments made within 16 to 30 days	691	13,916,858	10.03%
Number of payments made in excess of 30 days	261	426,791	3.79%
Total payments made in 2013	6,889	78,923,252	100%

The details supplied above relate to payments to suppliers for commercial transactions.

Ireland's EU Presidency

January 2013 – June 2013

Ireland's EU Presidency 2013

The highly successful 7th Irish EU Presidency, which ran from January to June 2013, was one of the largest and most challenging projects faced by this Department. Institutional and administrative change under the Lisbon Treaty introduced the rolling Trio of Presidencies format where common Presidency programmes are agreed between incoming Presidency Member States for an 18 month period. The Irish Presidency was the first of our Trio group comprising of Lithuania (July to December 2013) and Greece (January 2014 to July 2014). In January 2013, the Trio Presidency Programme was published as was the Irish Presidency Programme.



Intensive work across all Departments was undertaken as part of the preparation and co-ordination for the Irish Presidency. This Department has lead responsibility for three Council of Ministers formations:

- Competitiveness Council (Research, Industry and Internal Market issues)
- Employment, Social Policy, Health and Consumer Affairs Council (EPSCO)
- Trade Council

These Councils are supported by, or linked to, a range of Council and Commission chaired Working Groups, Advisory Groups and Implementing Committees. During the EU Presidency, Minister Bruton and Ministers of State Sherlock and Perry between them chaired 5 formal Council of Ministers meetings in Brussels and Luxembourg and 3 informal Council of Ministers meetings in Dublin. Officials of the Department chaired meetings of the respective working groups. In addition, the Department and its agencies held 27 separate events, a mixture of

large Conferences and high level working party meetings and informal experts meetings in Dublin, Brussels and Geneva.

Extensive bi-lateral work by Ministers and Departmental officials with relevant EU institutions, especially the Commission and the European Parliament, was undertaken. Our Ministers attended 5 Committee meetings of the European Parliament (INTA, IMCO, JURI, ITRE and Employment Committees) to outline our Presidency Programme. During the year Minister Bruton also attended meetings of the Cabinet Committee on European Affairs, chaired by the Taoiseach.

Our Department's involvement in the EU Presidency contributed significantly to the national Presidency success overall. Over 60 individual items in this Department's policy and legislative areas were advanced during the Presidency. Appendix 4 sets out the details of the Irish Presidency achievements by Council formation. The Department's intensive interaction with the EU Institutions has been positive and was augmented by the added pressure to make progress, given forthcoming European Parliament elections and the appointment of a new Commission in 2014.

Trade

Ireland was instrumental in securing a mandate for the European Union to negotiate a trade and Investment Agreement with the US. This was a key priority for Ireland's jobs and growth agenda and created a new platform from which Irish based enterprise will benefit into the future. In addition to being an important source of investment the US is a key export market with 49% of our non-EU exports going to the US. Council agreement on this mandate to formally launch negotiations on a Transatlantic Trade and Investment Partnership (TTIP) with the United States was achieved at the FAC (Trade) Council in Luxembourg on 14th June 2013. Three rounds of the negotiations took place in 2013.

The Presidency secured Second Reading Agreements with the European Parliament on amending certain regulations relating to the common commercial policy to update how trade-related legislation is adopted by the EU, following the entry into force of the Lisbon Treaty. The agreements on Omnibus I and II were key markers of the Presidency's success, steering and securing agreement with EU partners and the European Parliament in trade legislation.

The Presidency oversaw a Council Decision establishing the EU position within the Trade Related aspects of Intellectual Property Rights (TRIPS) Council of the World Trade Organization (WTO) on the request for an extension of the transition period under TRIPS. WTO members at the TRIPS Council on 11 June, agreed to extend the exemption for least developed countries (LDCs) to enforce WTO IP rules. This extension will end on 1 July 2021. It temporarily waives the obligation of LDCs to apply the provisions of the WTO Agreement except for articles 3 (national treatment), 4 (most-favoured-nation treatment), and 5 (multilateral agreements on acquisition or maintenance of protection). This further helped in strengthening the rules based framework for trade while recognising that LDCs need special treatment.

The Council adopted a mandate for the EU to negotiate a plurilateral Trade in Services Agreement (TiSA) with a number of other WTO member countries. Talks formally started in March 2013, with participants agreeing on a basic text in September 2013. This agreement will make it easier and cheaper to buy and sell services across borders.

The 16th EU-China Summit held on 21 November 2013 saw the announcement of the launch of negotiations of a comprehensive EU-China Investment Agreement.

The Presidency secured a compromise on the Market Access Regulation (MAR) in March which was endorsed by the Council and the European Parliament in May. The MAR allows exports from 36 African, Caribbean, and Pacific countries to continue to enter the EU duty free and quota free on the basis that a country could be removed where it indicated that it intended not to ratify its full or interim Economic Partnership Agreement (EPA) or where ratification had not taken place within a reasonable timeframe. The Regulation comes into force on 1 October 2014.

Irish Presidency Priorities in Research and Innovation

Horizon 2020

The Irish Presidency chaired the weekly meetings of the Council Research Working Party, the principal dossier of which was the negotiation of agreement on the proposals for the EU Framework Programme for Research and Innovation 2014-2020, known as Horizon 2020. Following a long and complex series of negotiations between the Commission, the Council and European Parliament, the Irish Presidency succeeded in concluding a political agreement on Horizon 2020 in June 2013, thus clearing the way for agreement at First Reading with the Parliament, which approved the package in November 2013 and allowing Horizon 2020 to formally commence on 1st January 2014.

Horizon 2020, the €79bn EU funding programme for research and innovation for the period 2014-2020 is a core part of Europe 2020, the Innovation Union and the European Research Area and is responding to the economic crisis by investing in future jobs and growth, addressing people's concerns about their livelihoods, safety and environment and strengthening the EU's global position in research, innovation and technology. Horizon 2020 offers huge opportunities to researchers, research organisations and industry to engage in cutting edge research, and power Europe towards economic recovery.

The National Horizon 2020 Strategy, which was approved by Government in December 2013, sets out the challenges and opportunities arising in Horizon 2020, Ireland's strategic approach to maximise our participation and arrangements for oversight and direction. The strategy was prepared in consultation with the Horizon 2020 High Level Group, chaired by the Department of Jobs, Enterprise and Innovation. Government Departments and Agencies whose remit includes research and innovation participate in the High Level Group.

The Irish Presidency also negotiated Council Conclusions on high performance computing and on enhancing and focussing EU international cooperation in research and innovation as well as a Council Resolution on advisory work for the European Research Area.

EPSCO (Employment, Social Policy, Health and Consumer Affairs) Council

This Department played the lead role in coordinating the work of the Employment strand of the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) on the follow-up to the European Commission's Employment Package of 2012.

The Informal EPSCO Council hosted in Dublin by the Irish Presidency in early February 2013, was focused on youth employment and also engaged Ministers in workshop discussions on:

- Older Women and Europe's Labour Market;
- Active inclusion for jobless households; and
- Access to jobs and skills in ICT.

There were also two formal EPSCO Council meetings in the first half of 2013. At the meeting on 28th February, Ministers reached agreement on the proposal for a Council recommendation on a Youth Guarantee. Before the formal EPSCO Council proceedings commenced, Mr Herman Van Rompuy, President of the European Council, had a historic first meeting with EPSCO Ministers to discuss the social dimension of the EMU. The Irish Presidency subsequently provided a report of the proceedings to the President of the European Council.

At the second formal EPSCO Council in June 2013, priority attention was devoted by the Irish Presidency to the effective management of the third European Semester and to adopting a coordinated approach to reaching the Europe 2020 headline targets across all Council formations. The country-specific recommendations, which the Council issued to Member States regarding their employment policies in June 2013, were key to strengthening the overall implementation of the Europe 2020 strategy.

Under the Irish Presidency, the Council of the EU, the European Parliament and the European Commission succeeded in reaching an agreement on 26 March 2013, on new Directive protecting workers from potential risks associated with exposure to Electromagnetic Fields. Agreement was also reached on the EU Programme for Employment and Social Innovation (EaSI) with a budget of €900 million over the 7 year Programme.

The Posting of Workers Enforcement Directive aims to provide for more effective enforcement of employment law across the EU in the area of posted workers. The dossier was significantly progressed during the Irish Presidency, paving the way for Ministers to reach agreement on a general approach at the EPSCO Council of Ministers in December 2013.

During the later six months of 2013, the Lithuanian Presidency succeeded in completing a number of other legislative files that had been progressed under the Irish Presidency. A general approach was reached on the politically important proposal for a Decision on enhance cooperation among Public Employment Services (PES), while EPSCO also reached a common position on the Fund for European Aid to the Most Deprived. Both that file and the proposal for a Directive on Supplementary Pensions (overcoming a deadlock that has lasted six years) were also brought to successful conclusion at trilogue level with the European Parliament which should allow both to be adopted in early 2014. Similar success was achieved by reaching agreement with the EP on the proposed (CLP) Directive amending existing legislation on classification, labelling and packaging of substances and mixtures. Bringing the proposal for a Free Movement of Workers (anti-discrimination) Directive through to trilogue stage also counts as a significant achievement.

Highlighting the importance of chemicals to Ireland's manufacturing sector, this Department worked closely with the HSA on the delivery of a REACH conference which focused on the experiences of industry in the application of the Regulation. The conference attracted experts from the EU Commission and the European Chemicals Agency (ECHA) and provided an opportunity for industry to meet with administrators and policy makers and share their views in a constructive manner.

International Labour Organisation (ILO)

The Department played a very active role in the ILO in 2013 as part of its EU Presidency obligations including:

- three-week Governing Body meeting in March in Geneva;
- four-day Regional Meeting in April in Oslo;
- three-week International Labour Conference (ILC) in June in Geneva;
- three-week Governing Body meeting in October in Geneva (this was to provide support to Lithuania, a role which is expected of the outgoing Presidency).

The outcome of discussions at the Europe and Central Asia Regional Meeting in Oslo, at which the Minister for Social Protection led the Irish delegation, was the “Oslo Declaration: Restoring Confidence in Jobs and Growth”, which highlighted the need for positive and coherent policy responses to tackling unemployment, enhancing sustainable growth and social cohesion. Discussions at the annual International Labour Conference (ILC) focussed on three themes; (i) sustainable development, decent work and green jobs, (ii) promoting quality jobs through effective social dialogue and collective bargaining and (iii) the impact of demographic change on the world of work. To coincide with the June ILC, Minister Richard Bruton hosted an informal meeting of Ministers of Labour and Social Affairs on the subject of domestic workers, at which he announced Ireland's intention to ratify the ILO Convention on Decent Work for Domestic Workers (Convention No. 189). The position of domestic workers and the ratification of Convention No. 189 was a subject championed by the Minister during Ireland's EU Presidency, which culminated in a Council of Ministers' decision in June 2013 authorising EU Member States to ratify the Convention.

Adoption of Accounting Directive (2013/34/EU)

The Accounting Directive

- a) provides significant simplifications and reductions of administrative burdens for enterprises, notably SMEs and in particular small companies,
- b) facilitates greater EU cross-border comparability of accounts,
- c) introduces mandatory requirements of disclosure for payments of enterprises to Governments in the extractive and logging of primary forest industries “country by country reporting”.

Bringing the Accounting Directive to a successful conclusion is acknowledged as an important achievement of the Irish Presidency as it was one of the final outstanding elements of the Single Market Act I.

The Department presided over the crucial phase of negotiations on this significant measure, a key element of which was the country reporting position, leading to its agreement with the European Parliament/adoption on 26 June 2013.

Audit Reform

Audit proposals were brought forward in the wake of the financial crisis in order to address weaknesses in the audit process EU-wide, particularly, as regards the audit of systemic entities, e.g. credit institutions and insurance undertakings. The Audit Reform measures consist of (i) the Audit Directive (2014/56/EU) on statutory audits of annual accounts and consolidated accounts and (ii) the Audit Regulation (EU) No. 537/2014 on specific requirements regarding the statutory audit of public-interest entities.

The Irish Presidency made significant progress on this dossier and provided a platform for the Lithuanian Presidency to achieve agreement of the EU negotiating mandate with the European Parliament on 4 October, 2013 and agreement with the European Parliament on 18 December 2013.

Post Ireland's EU Presidency (July – December 2013)

Political agreement on a comprehensive Free Trade Agreement with Canada (CETA) was reached on 18th October 2013, and was followed by negotiations to solve a small number of technical issues. Provisional application is expected to be in early 2016.

On 1st August 2013, the EU and Honduras, Nicaragua and Panama started applying the trade part of an Association Agreement signed in 2012. El Salvador and Costa Rica followed suit on 1st October 2013 and Guatemala on 1st December 2013.

The EU- Peru Free Trade Agreement took effect from 1st March 2013, and likewise the EU – Colombia Free Trade Agreement has been provisionally applied from 1st August 2013.

The EU and Singapore initialled the text of a comprehensive Free Trade Agreement on 20th September 2013.

The WTO 9th Ministerial Conference in Bali 3-6 December adopted the “Bali Package”, a series of decisions aimed at trade facilitation, allowing developing countries more options for providing food security, boosting least-developed countries’ trade and helping development more generally. They also accepted Yemen as a new member of the WTO.

Negotiations on the trade part of Deep and Comprehensive Free Trade Areas (DCFTA) Agreements with Moldova and Georgia, both part of Association Agreements, were completed on 12th June 2013 and 22nd July respectively. The Agreements were subsequently initialled during the Lithuanian Presidency on 29th November 2013.

Ongoing Free Trade Agreement negotiations with Japan, Vietnam, Thailand, Morocco, and Mercosur were advanced throughout 2013.

Appendix 1

Audited Financial Statements as at 31 December 2013

Appropriation Account 2013

	Estimate provision		2013	2012
			Outturn	Outturn
	€000	€000	€000	€000
Programme Expenditure				
A Jobs and Enterprise Development				
<i>Current year provision</i>	366,078			
<i>Deferred surrender</i>	18,000	384,078	359,143	400,505
B Innovation				
<i>Current year provision</i>	363,860			
<i>Deferred surrender</i>	7,000	370,860	359,714	376,608
C Regulation		82,678	73,092	73,773
Gross expenditure				
<i>Current year provision</i>	812,616			
<i>Deferred surrender</i>	25,000			
		837,616	791,949	850,886
<i>Deduct</i>				
D Appropriations-in-aid		52,027	51,295	50,342
Net expenditure				
<i>Current year provision</i>	760,589			
<i>Deferred surrender</i>	25,000			
		785,589	740,654	800,544

Surplus for surrender

The surplus of the amount provided over the net amount applied is liable for surrender to the Exchequer. Under section 91 of the Finance Act 2004, all or part of any unspent appropriations for capital supply services may be carried over for spending in the following year.

	2013	2012
	€	€
Surplus	44,935,290	45,863,737
Deferred surrender	<u>23,000,000</u>	<u>25,000,000</u>
Surplus to be surrendered	<u><u>21,935,290</u></u>	<u><u>20,863,737</u></u>

Analysis of administration expenditure

		2013		2012
		Estimate provision	Outturn	Outturn
		€000	€000	€000
i	Salaries, wages and allowances	20,824	21,145	20,674
ii	Travel and subsistence	603	551	451
iii	Training and development and incidental expenses	475	475	497
iv	Postal and telecommunications services	587	458	529
v	Office equipment and external IT services	3,840	3,035	2,933
vi	Office premises expenses	700	629	754
vii	Consultancy services and value for money and policy reviews	166	29	123
viii	Advertising and information resources	261	84	86
ix	EU Presidency	2,238	1,338	619
		<u>29,694</u>	<u>27,744</u>	<u>26,666</u>

Notes to the Appropriation Account

1. Operating Cost Statement 2013

	2013		2012
	€000	€000	€000
Programme cost		764,20	824,221
		6	
Pay (note 1.3)		21,693	21,047
Non pay		6,050	5,618
Gross expenditure		791,94	850,886
		9	
<i>Deduct</i>			
Appropriations-in-aid		51,295	50,342
Net expenditure		740,65	800,544
		4	
Changes in capital assets			
Purchases cash	(713)		
Depreciation	2,013		
Loss on Disposals	1		
		1,301	1,784
Changes in assets under development			
Cash payments		(862)	(955)
Changes in net current assets			
Decrease in closing accruals	(325)		
Increase in stock	78		
		(247)	(756)
Direct expenditure		740,84	800,617
		6	
Expenditure borne elsewhere			
Net allied services expenditure (cash) (note 1.1)		21,400	21,864
Notional rents (non cash) (note 1.2)		1,667	1,685
Net programme cost		763,91	824,166
		3	

1.1 Net Allied Services Expenditure

The net allied services expenditure amount is made up of the following amounts in relation to Vote 32 borne elsewhere.

		2013	2012
		€000	€000
Vote 9 Office of the Revenue Commissioners	e	60	255
Vote 12 Superannuation and Retired Allowances	e	14,205	15,394
Vote 13 Office of Public Works	e	6,882	5,962
Central Fund - Ministerial pensions	e	253	253
		<u>21,400</u>	<u>21,864</u>

‘e’ indicates an estimated value or an apportioned cost.

1.2 Notional Rent

The notional rent figure has been compiled by the Office of Public Works based on current market rental prices. The notional rent figure is in respect of two properties occupied by the Department of Jobs, Enterprise and Innovation.

1.3 Pay

The difference of €548,000 between the pay figure shown in the Operating Cost Statement (€21,693,000) and the pay figure included at (i) of the administration cost analysis (€21,145,000), relates to pay related expenditure on the EU Presidency, which is included at (ix) of the administration cost analysis. The estimate provision of all costs associated with the EU Presidency was included under a separate heading in the administration cost analysis.

2. Balance Sheet as at 31 December 2013

	Note	2013 €000	2012 €000
Capital assets	2.2	6,665	6,637
Capital assets under development	2.3	122	584
		6,787	7,221
Current Assets			
Bank and cash	2.4	23,782	27,929
Stocks	2.5	239	317
Prepayments		826	575
Accrued income		1,248	1,078
Other debit balances	2.6	1,420	1,375
Total current assets		27,515	31,274
Less current liabilities			
Accrued expenses		677	441
Deferred income		1,344	1,484
Other credit balances	2.7	2,245	4,029
Net liability to the Exchequer	2.8	22,958	25,275
Total current liabilities		27,224	31,229
Net current assets		291	45
Net assets		7,078	7,266
Represented by:			
State funding account	2.1	7,078	7,266

2.1 State Funding Account	Note	2013	2012
		€000	€000
Balance at 1 January		7,266	7,339
Disbursements from the Vote			
Estimate provision	Account t	785,589	
Deferred surrender	Account t	(23,000)	
Surplus to be surrendered	Account t	(21,935)	
Net vote		740,654	800,544
Net assets transferred from Department Justice and Equality	2.2	5	—
Loss on disposal of assets	2.2	(1)	—
Expenditure (cash) borne elsewhere	1	21,400	21,864
Non cash expenditure – notional rent	1	1,667	1,685
Net programme cost	1	(763,913)	(824,166)
Balance at 31 December		7,078	7,266

2.2 Capital Assets

	Office and IT equipment	Furniture and fittings	Total
	€000	€000	€000
Gross assets			
Cost or valuation at 1 January 2013	34,088	6,642	40,730
Transfers from Department Justice and Equality ¹	41	20	61
Additions	2,004	33	2,037
Disposals	(431)	(16)	(447)
Cost or valuation at 31 December 2013	35,702	6,679	42,381
Accumulated depreciation			
Opening balance at 1 January 2013	27,660	6,433	34,093
Transfers from Department Justice and Equality ¹	36	20	56
Depreciation for the year	1,952	61	2,013
Depreciation on disposals	(430)	(16)	(446)
Cumulative depreciation at 31 December 2013	29,218	6,498	35,716

Net assets at 31 December 2013	6,484	181	6,665
Net assets at 31 December 2012	6,428	209	6,637

¹ ICT assets and furniture and fittings were transferred from the Department of Justice and Equality arising from the transfer of the Equality Tribunal to this Department with effect from 1 January 2013.

2.3 Capital Assets under Development

	In-house computer applications
	€000
Amounts brought forward at 1 January 2013	584
Cash payments in year ¹	916
Brought into use in year	<u>(1,378)</u>
Balance at 31 December 2013	<u>122</u>

2.4 Bank and Cash	2013	2012
at 31 December	€000	€000
PMG balances and cash	23,785	27,985
Orders outstanding	(3)	(56)
	23,782	27,929

2.5 Stocks	2013	2012
at 31 December	€000	€000
Stationery	164	238
IT supplies	60	60
Cleaning materials	15	19
	239	317

2.6 Other Debit Balances	2013	2012
at 31 December	€000	€000
Advances to OPW	209	217
Miscellaneous debit balances	427	483
Recoupable expenditure:		
Recoupable travel	433	
Recoupable shared services	184	
Recoupable pension lump sums	167	
	784	675
	1,420	1,375

¹ EU funding in the amount of €53,646
ICT assets under the Patent Cooperat

2.7 Other Credit Balances	2013	2012
at 31 December	€000	€000
Amounts due to the State		
Income Tax	53	91
Pay Related Social Insurance	60	65
Income Levy	—	(1)
Professional Services Withholding Tax	68	86
Value Added Tax on intra EU acquisitions	8	2
	189	243
Miscellaneous credit balances	2,056	3,786
	2,245	4,029

2.8 Net Liability to the Exchequer	2013	2012
at 31 December	€000	€000
Surplus to be surrendered	21,935	20,864
Deferred surrender	23,000	25,000
Exchequer grant undrawn	(21,977)	(20,589)
))
Net liability to the Exchequer	22,958	25,275

Represented by:

Debtors	2013	2012
Bank and cash	23,782	27,929
Other debit balances	1,420	1,375
	25,202	29,304

Creditors

Due to State	(189)	(243)
Other credit balances	(2,055)	(3,786)
	<u>(2,244)</u>	<u>(4,029)</u>
	<u>22,958</u>	<u>25,275</u>

¹ Includes expenditure from own resource income.

2.9 Commitments

	2013	2012
at 31 December	€000	€000

(A) Global commitments

Procurement subheads	2,147	51
Grant subheads ¹	1,309,88	1,082,09
	<u>0</u>	<u>5</u>

(B) Multi-annual capital commitments over €6.35 million

	Cumulative Expenditure to 31 December 2012 ²	Expenditur e in 2013	Subsequent years	Projects total 2013	Projects total 2012
	€000	€000	€000	€000	€000
IDA Ireland	266,400	9,000	33,200	308,600	319,600
Enterprise Ireland	116,299	33,001	173,359	322,659	210,159
Science Technology and Development Programme	205,818	77,953	219,845	503,616	306,155
Programme for Research in Third Level Institutions (PRLTI)	82,503	18,193	93,702	194,398	194,399
	<u>671,020</u>	<u>138,147</u>	<u>520,106</u>	<u>1,329,273</u>	<u>1,030,313</u>

² Excludes projects completed by end of 2012.

2.10 Matured Liabilities.

Estimated matured liabilities un-discharged at the year-end were €255,568 (2012: €162,831).

Appendix 2

Bills published in 2013

- Industrial Development (Forfás Dissolution) Bill 2013 – The Bill was published on 23rd of December 2013.

In accordance with Government plans for the rationalisation of State Agencies, legislation to, inter alia, enable INAB transfer into HSA - the Industrial Development (Forfás Dissolution) Bill 2013, was published on 27 December 2013 and was given priority passage through the Oireachtas. In parallel with the legislative progression, the HSA continued to work on the practical and logistical issues attendant on the INAB transfer.

- The Companies (Miscellaneous Provisions) Bill 2013 was published on 5 November, 2013. The Act was signed by the President on 24 December, 2013.
- The Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Bill 2013 was published in the Seanad on 23 July 2013.

Appendix 3

Statutory Instruments made in 2013

S.I. No. 9 of 2013 Safety, Health and Welfare at Work (Quarries) (Amendment) Regulations 2013

S.I. No. 153 of 2013 Protection of Employment (Exceptional Collective Redundancies and Related Matters) Act 2007 (Duration of Part 2) Order 2013

S.I. No. 182 of 2013 Safety, Health and Welfare at Work (Construction) (Amendment) Regulations

S.I. No. 218 of 2013 Worker Participation (State Enterprises) Act 1988 (Section 9) Order

S.I. No. 238 of 2013 European Communities (Carriage of Dangerous Goods and Use of Transportable Pressure Equipment) (Amendment) Regulations 2013

S.I. No. 291 of 2013 Safety, Health and Welfare at Work (Construction) Regulations 2013

S.I. No. 294 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 1) Order

S.I. No. 295 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 2) Order

S.I. No. 296 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 3) Order

S.I. No. 297 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 4) Order

S.I. No. 298 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 5) Order

S.I. No. 299 of 2013 Trade Union Act 1941 (Revocation of Negotiation Licence) (No. 6) Order

S.I. No. 571 of 2013 European Union (Control of Major Accident Hazards Involving Dangerous Substances) (Amendment) Regulations 2013

S.I. No. 572 of 2013 Safety, Health and Welfare at Work (Biological Agents) Regulation 2013

Appendix 4

Irish Presidency Achievements

TRADE FAC

Council Agreement

- Council agreement on a mandate for the negotiation of a comprehensive trade and investment agreement with the United States.
- Adoption of a Decision authorising the Commission to start negotiations with Thailand on a free trade agreement and the subsequent launch of those negotiations.
- Council agreement on a mandate for a Trade in Services Agreement negotiations in Geneva.

Legislative

- Early second reading agreement reached with the European Parliament on the Omnibus I and dossiers, involving regulatory changes to EU decision-making procedures for trade policy.
- Agreement on a compromise on the Market Access Regulation in March, which was endorsed by the Council and the European Parliament in May.

General

- Ireland was the first country, since the Lisbon Treaty, to hold an informal meeting of Trade Ministers during its Presidency.
- Provisional application of Free Trade Agreements with Peru and Columbia.
- Start of new negotiations on an EU-Japan trade agreement.
- Started initial Council consideration of an EU-China Investment mandate.
- Conclusion of trade negotiations with Moldova.
- Facilitation of the choice of a single EU preference in the selection process for the Director General of the World Trade Organization - a first for the EU.
- Negotiations launched on a Deep and Comprehensive Free Trade Agreement (DCFTA) with Morocco.
- **Council Decision establishing the European Union position within the TRIPS Council of the World Trade Organization on the request for an extension of the transition period under TRIPS.**
- Reinstatement of Myanmar-Burma to Generalised System of Preferences.

COMPETITIVENESS COUNCIL (COMPET)

First Reading Agreements

- Political agreement reached after intensive negotiations between the Council, the European Parliament and the European Commission on the EU Framework Programme For Research and Innovation (Horizon 2020), the c.€80 billion package for Research and Innovation, which included agreement on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT) And on the amendment of the 2008 Regulation establishing the EIT
- First Reading Agreement and voted through the European Parliament on the Company Law (Accounting) Directive
- First Reading Agreement with the European Parliament on the Directive amending Directive 2005/36/EC on the Recognition of Professional Qualifications
- Intensive negotiations ongoing to achieve a First Reading Agreements with the European Parliament on the Public Procurement Package Please check with DPER on 25 June
- First Reading Agreement with the European Parliament on the Programme for the Competitiveness of enterprises and SMEs (COSME) 2014-2020
- First Reading Agreement with the European Parliament on the Union Customs Code (recast)
- First Reading Agreement with the European Parliament on the nine technical harmonisation Directives that make up the New Legislative Framework/Alignment Package
- First reading examination of the EU Directive on Collective Rights Management in Council and progression of the dossier to obtain a political mandate to enter into Trilogue negotiations with the European Parliament.

General Approach

- General Approach agreed on the Commission's proposal (revised Procedural and Enabling Regulations) to reform the EU State Aid framework under the State Aid Modernisation (SAM) initiative

Signing Agreements

- Signing of Unified Patent Court Agreement by 25 MS
- Signing of a co-operation agreement between the EU and the Swiss Federation on competition issues
- Council Decision enabling the signing by the EU of the Beijing Treaty on Audio-visual Performances

Council Conclusions

- Council conclusions on Smart Regulation
- Council conclusions on Space Industrial Policy
- Council conclusions endorsing a new EU strategy on “Enhancing and Focussing International cooperation in research and innovation: a strategic approach”
- Council conclusions related to the Commission Communication on “High Performance Computing: Europe’s place in a Global Race”
- Council conclusions on establishing appropriate relations between the EU and the European Space Agency

Adoption of Directives/Regulations

- Adoption of Directive on Alternative Dispute Resolution (ADR) and a Regulation on Online Dispute Resolution (ODR)
- Adoption of Regulations on European venture capital funds and European social entrepreneurship funds
- Adoption of a Council Regulation of the European Parliament and of the Council amending Regulation (EC) No 450/2008 laying down the Community Customs Code (Modernised Customs Code) as regards the date of its application

Other

- Progress Report on a Proposal for a Decision of the European Parliament and the Council - Establishing a Space Surveillance and Tracking (SST) Support Programme
- Progress Report and Orientation Debate on a Proposal for a Directive of the European Parliament and of the Council amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts (Audit Directive); and a Proposal for a Regulation of the European Parliament and of the Council on specific requirements regarding statutory audit of public interest entities (Audit Regulation).
- Council discussions on recent Chemicals Regulations publications relating to the REACH Review, Second Regulatory Review on nanomaterials and the Commission’s Roadmap for Substances of Very high Concern under REACH
- Political discussions at the informal and formal Competitiveness Councils on Copyright-related issues to progress the copyright modernisation agenda
- Advanced discussions in Council on the Entrepreneurship Action Plan 2020
- Held Council debate on the competitiveness performance of European manufacturing and addressed some important issues such as financing restraints and State Aid policies, skills gaps and attractiveness of manufacturing to young people. In particular, the importance of Key Enabling Technologies (KETs) and Industry’s commitment to their development was emphasized in terms of their importance for growth and jobs and the involvement of innovative SMEs.

- EU Semester – The Presidency, through the High Level Group on Competitiveness, prepared the discussion in the Competitiveness on the Commission’s Annual Growth Survey (AGS) for 2013 which launched the 2013 European Semester for economic policy coordination. In addition, for the first time, the Presidency included for discussion, a Report on the integration of the Single Market. The discussion also enhanced the Competitiveness Council’s role in monitoring and providing political guidance on such measures.
- First read-throughs were achieved of the proposals on consumer product safety and market surveillance, both of which form part of the SMA II package.
- Political agreement by High level Group on Competitiveness on a voluntary Charter for the Points of Single Contact under the Services Directive

EMPLOYMENT, SOCIAL POLICY, HEALTH AND CONSUMER AFFAIRS (EPSCO)

Legislative Developments:

- Adoption of the Directive on the health and safety requirements regarding the exposure of workers to the risks arising from physical agents (Electromagnetic fields)
- Political agreement on Directive on minimum requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights.
- General Approach on the European Globalisation Adjustment Fund
- Political agreement reached with the European Parliament and the Council on the EU programme for Employment and Social Innovation (EaSI)

European Semester:

- Council conclusions on the Annual Growth Survey 2013
- Adoption of the 2013 Joint Employment Report
- Adoption of a Decision approving the guidelines for the employment policies of Member States for 2013
- Approval of Draft Council Recommendations on the National Reform Programmes 2013 to each Member State, including Macro-economic Imbalance Procedure (MIP)
- Endorsement of the opinions of the Employment Committee and of the Social Protection Committee regarding examination of the National Reform Programmes (2013) and the implementation of the 2012 Country-Specific Recommendations

- Noting the reports of the Employment Committee and the Social Protection Committee regarding assessment of the 2013 package of Council Recommendations, including cross-cutting issues
- Endorsement of the Employment Performance Monitor (prepared by the Employment Committee)

Council Agreement:

- Council Agreement on Decision authorising Member States to ratify ILO (Chemicals) Convention 170
- Council Agreement on Decision authorising Member States to ratify, in the interests of the European Union, Convention 189 concerning decent work for domestic workers, 2011, of the International Labour Organisation
- Council Agreement on EU Guidelines for the G20 Labour and Employment Ministers meeting to be held in Moscow on 18-19 July

Council Recommendations/Conclusions:

- Council Recommendation on Establishing a Youth Guarantee
- Council Conclusions on Communication: Towards Social Investment for Growth and Cohesion
- Council Conclusions on Advancing Women's Roles as Decision-makers in the Media

Progressed by Presidency:

- Progress Report on the Proposal for a Directive of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the Posting of Workers in the framework of the provision of services
- Progress Report on the Regulation on the Fund for European Aid for the Most Deprived.
- Progress Report on the Proposal for a Directive on improving the gender balance among non-executive directors of companies listed on stock exchanges and related measures
- Progress Report on the Proposal for a Council Directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation

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