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

Ministerial Brief

December 2022

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Section 1: Overview of Department

1.1 Ministerial Responsibilities and Delegation of Functions

The role and status of Ministers with regard to Departments and their responsibility to Dáil Éireann are set out in Article 28 of the Constitution and are further elaborated in the Ministers and Secretaries Acts 1924-2020.

The Public Service Management Act 1997 provides a statutory basis for the management structure of the Civil Service. This Act assigns to Secretaries General certain functions, which include managing the Department, implementing Government policies appropriate to the Department, delivering outputs as determined by the Minister of the Government having charge of the Department and providing advice to the Minister. It is important to note that the provisions of the Public Service Management Act 1997 do not change the core policy responsibility of Ministers, who remain responsible for the functions of the Department under the relevant provisions of the Constitution and the Ministers and Secretaries Act.

The ethics framework for Ministers is set out in the: -

- Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001,
- Guidelines on Compliance with the provisions of those Acts and
- Code of Conduct for Office Holders as drawn up by the Government and operative since 3 July 2003.

Office holders are obliged to familiarise themselves with and observe those requirements.

PERSONAL STAFF AND STAFFING OF PRIVATE AND CONSTITUENCY OFFICES

Details relating to the appointment of Programme Managers/Special Advisors are set out in Section 11 of the Public Service Management Act, 1997. The terms and conditions which apply to the appointment of Ministers' personal staff, including Programme Managers and Advisors, are determined by the Minister for Public Expenditure and Reform within parameters set down by the Government. Such staff should not be appointed from outside the civil service without prior consultation with the Taoiseach and the Minister for Public Expenditure and Reform. Appointments terminate not later than the date on which the relevant Minister/Minister of State ceases to hold the specific office held when the appointment was made.

There are annual obligations under the Ethics Framework in relation to the staff personally appointed by Ministers (including Special Advisors, Programme Managers, Press Officers, Personal Assistants and Personal Secretaries).

The function of Departments in this area is purely one of providing outline information; the legal obligation to comply with the terms of the ethics legislation lies with individual office holders and public servants. Ministers and Ministers of State and staff personally appointed by them, to whom the relevant provisions of the ethics legislation apply, should consult with the Standards in Public Office Commission in relation to any matter pertaining to their personal obligations under the Acts.

DELEGATION OF MINISTERIAL FUNCTIONS TO MINISTERS OF STATE

The Ministers and Secretaries (Amendment) (No. 2) Act, 1977, provides for the delegation of a Minister's powers and duties to Minister(s) of State by Order made by the Government at the request of the Minister concerned. It has been the practice for such orders to be made in cases where a Minister of State would be expected to carry out statutory functions on behalf of a Minister.

As the 1977 Act makes clear, the Minister remains responsible to Dáil Éireann for the exercise or performance of any powers or duties delegated to a Minister of State. Delegation arrangements are regularly reviewed to take account of legislation enacted subsequent to any Delegation of Functions Order being made.

Delegation of non-statutory responsibilities is generally made by way of an informal letter of understanding between a Minister and Minister of State.

Up to 17 December, two Ministers of State have been appointed to the Department and statutory functions and areas of responsibility have been delegated as follows:

Minister for Trade Promotion, Digital and Company Regulation:

- Company law legislation including Companies Act 2014;
- Competition legislation;
- Registration of Business Names legislation;
- Consumer protection legislation;
- Personal Injuries Assessment Board legislation;
- Industrial and Provident Societies and Friendly Societies legislation;
- Hallmarking legislation;
- Partnership legislation;
- Control of Exports.

The Minister for Trade Promotion, Digital and Company Regulation is also delegated responsibility for the following administrative functions:

- The making of S.I.s under the Control of Exports Act 2008;
- The progression of the Screening of Third Country Transactions Bill;
- The progression of the Control of Exports Bill;
- Attendance at the COMPET Council and related Ministerial-level meetings;
- National Export Control Policy;
- Trade promotion with a view to maximising Irish exports by seeking to maintain existing markets and grow new markets. This will include the promotion of the benefits of EU Free Trade agreements;
- EU digital policy as related to Platforms, Digital Services Act Package and Artificial Intelligence and Data Act Proposal;
- EU Policy related to accounting and audit matters;
- Progressing proposed legislation in relation to co-operative societies and the registration of trade unions.
- Monitoring and reviewing overall progress on implementation of priority policy areas identified from the “SME and Entrepreneurship Growth Plan”.
- Overseeing implementation of Regional Enterprise Plans with a particular focus on the Midlands, West, North-West and South-East.
- Cutting bureaucracy for SMEs and supporting the SME Test across government to assess the potential for less stringent requirements and simplification of regulatory adherence.

Minister for Business, Employment and Retail:

- Intellectual Property, including copyright, trademarks, designs and patents legislation;
- Standards for goods and services, including National Standards Authority of Ireland legislation;
- Metrology legislation;
- Employment Permits legislation;
- Employment Rights legislation, including minimum wage legislation;
- Industrial Relations and Trade Union legislation;
- Workplace Relations legislation;
- Redundancy Payments legislation – section 39;
- Construction Contracts legislation;
- Workplace Health and Safety legislation;
- Safe use and management of chemicals legislation;
- Carriage of dangerous goods by road legislation;
- Dangerous Substance legislation.

The Minister for Business, Employment and Retail is also delegated responsibility for the following administrative functions:

- Responsibility at international level for EPSCO – Employment, Social Policy, Health & Consumer Affairs Council; EMCO - Employment Committee and the ILO – International Labour Organisation; Council of Europe – European Social Charter;
- The Retail Forum, including acting as chairperson of the Forum;
- Sectors including retail and small firms;
- Responsibility at international level for European Space Agency and space policy at EU Competitiveness Council;
- The Irish National Accreditation Board, the national body with responsibility for the accreditation of laboratories, certification bodies and inspection bodies;
- Statutory appointments to the Labour Court, the Workplace Relations Commission and the Construction Contracts Adjudication Service.

1.2 Statement of Strategy 2021-2023

The Department of Enterprise, Trade and Employment's mission, as set out in its Statement of Strategy 2021-2023, is to:

''Lead on sustainable economic development and recovery through the creation and maintenance of high-quality employment across all regions of our country by:

- Championing enterprise;
- Ensuring a competitive business base to incentivise work, enterprise, innovation and investment;
- Strengthening global connections and promoting trade;
- Promoting fair and competitive markets, best business practice;
- Safe, flexible and decent workplaces through the regulatory and enforcement work; of the Department, its Offices and its Agencies''.

The Statement of Strategy outlines six key goals for the Department:

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

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

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

Goal 4: Deepen and extend Ireland's global business and trade in a fair and sustainable manner supportive of high labour standards and grow further the all-island economy.

Goal 5: Advance the green transition in enterprise, honouring our climate action commitments.

Goal 6: Build an innovative and agile department with a strong public service ethos driving effective and responsible policy implementation.

The Department 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, and supported by its teams of officers based in Beijing, Berlin, Brussels, Geneva, London and Washington DC, the Department's remit covers a wide range of activity including:

- Facilitating the start-up and growth of indigenous enterprises,
- Attracting Foreign Direct Investment,
- Growing and deepening export opportunities, improving competitiveness and productivity,
- Promoting innovation and growth through investment in research and development,
- Promoting fair competition for businesses and consumers,
- Promoting and supporting regional enterprise development,
- Ensuring fit for purpose, modern company law,
- Safeguarding workers' rights including their entitlement to occupational safety and health,
- Supporting and facilitating a positive industrial relations environment,
- Making evidence-based policy, informed by research, analysis and robust evaluations,
- Identifying the future skills needs of enterprise,
- Providing appropriate and independent regulatory and enforcement capability, and
- Representing Ireland's interests in relevant EU fora, including the Competitiveness Council (incorporating Internal Market, Industry and Research), and the Foreign Affairs Council (meeting in its Trade formation) and relevant WTO, ILO, OECD and WIPO fora.

A number of existing strategies, which were developed under the leadership of the Department of Enterprise, Trade and Employment, also currently inform priorities for the Department and its Agencies. These include:

WHITE PAPER ON ENTERPRISE

Published on 7th December 2022, the White Paper on Enterprise is a plan of adaption rather than a major departure from the proven and consistent enterprise policy approach pursued to date. It sets out an ambitious vision for Ireland's enterprise policy, to protect Ireland's strong economic position, and respond to challenges and opportunities that have emerged as a result of the pandemic, wider economic and geo-political developments, digitalisation and an increased urgency to decarbonise industry. It provides for a sustainable, innovative and high-productivity economy, with rewarding jobs and livelihoods in the period ahead.

TRADE AND INVESTMENT STRATEGY 2022-2026: VALUE FOR IRELAND, VALUES FOR THE WORLD

This Strategy, launched in April 2022, sets out to see Ireland grow sustainably, diversify our export markets, and support continued prosperity and higher living standards for all the people of Ireland. It articulates our plans for trade and investment, and climate and sustainability, setting out our principled and holistic approach to trade policy. The strategy outlines seven priority actions and is set against the backdrop of the major economic disruption from the COVID-19 pandemic, war in Ukraine, Brexit, growing protectionism, global tax developments and geopolitical and trade tensions.

NATIONAL SME AND ENTREPRENEURSHIP GROWTH PLAN

The SME Taskforce's Report: National SME and Entrepreneurship Growth Plan, published in January 2021 and an Implementation Group was established in February 2021 to address these recommendations and work with relevant government departments and Agencies to deliver these reforms. The Implementation Group agreed ten priority areas where significant progress could be made in the short term.

NATIONAL SMART SPECIALISATION STRATEGY FOR INNOVATION 2022-2027

Smart Specialisation is an innovation policy concept developed by the European Commission which aims to boost regional innovation, contributing to growth and prosperity by helping and enabling regions to focus on their strengths. This is intended to promote broader benefits, including innovation-driven growth in regions and the promotion of sustainable growth models. The National Smart Specialisation Strategy for Innovation (commonly known as S3), launched in July 2022, links regional and national innovation decision making and guides investment under the current cycle of the European Regional Development Fund (ERDF).

NINE REGIONAL ENTERPRISE PLANS TO 2024

Regional Enterprise Plans sponsored by DETE are bottom-up initiatives that act as a key conduit for delivering innovation-driven growth in the regions, in line with the Smart Specialisation Strategy. €145m has been secured from this ERDF cycle to drive their implementation.

AI: HERE FOR GOOD – THE NATIONAL AI STRATEGY

AI – Here for Good, the National Artificial Intelligence Strategy, was launched in July 2021 and sets out a vision of Ireland as an international leader in using AI to the benefit of our population, through a people-centred, ethical approach to AI development, adoption and use.

IRELAND'S INDUSTRY 4.0 STRATEGY 2020-2025

The vision underpinning Ireland's Industry 4.0 Strategy, launched in December 2019, is that by 2025 Ireland will be a competitive, innovation-driven manufacturing hub. Industry 4.0 capability will be a critical driver of that competitiveness, underpinning productivity growth and innovation in new goods and services across the value chain. Developing and delivering initiatives to increase RD&I in manufacturing and drive new technology adoption is a priority under this strategy.

MAKING REMOTE WORK: NATIONAL REMOTE WORK STRATEGY

Launched in January 2021, 'Making Remote Work' is Ireland's National Remote Work Strategy. The Strategy's objective is to ensure that remote working is a permanent feature in the Irish workplace in a way that maximises economic, social and environmental benefits.

NATIONAL SPACE STRATEGY FOR ENTERPRISE 2019-2025

The Government's vision for the space-active enterprise sector is for Ireland to develop 'an economically sustainable and expanding space-active industry, delivering quality jobs for the economy of tomorrow'. Launched in June 2019, the strategy focuses on harnessing new opportunities within the evolving international space sector, supporting the development of a highly skilled and adaptable workforce, encouraging awareness of space among the public and private sector, and developing and maintaining a strategic sector.

KEY ECONOMIC STATISTICS

		Time Frame
Nos. in Employment	2,554,300	Q3 2022
Unemployment Rate	4.4%	November 2022
Gross Domestic Product (GDP)	€120,073m (↑2.3%)	Q3 2022
Gross National Product (GNP)	€83,536m (↓2.2%)	Q3 2022
Consumer Price Index (CPI) (Inflation)	↑9.2%	October 2022

1.3 Department Management Structure

Dr Orlaigh Quinn
Secretary General

DEPARTMENT STRUCTURE

The Department is comprised of eight divisions. There are six offices and eight agencies under the aegis of the Department.

MANAGEMENT BOARD

The Department's Management Board comprises the Secretary General, eight Assistant Secretaries and the Head of the Governance and Management Support Unit.

The Management Board meets weekly, usually on Tuesday morning.

MINISTERIAL MANAGEMENT BOARD

Meetings are held every four weeks. The Minister, the Ministers of State and the Special Advisors to the Minister attend these meetings, along with the members of the Management Board. The Agenda is set by the Minister, who also chairs the meeting.

Divisions of the Department

Indigenous Enterprise
Assistant Secretary: Pauline Mulligan

Innnovation and Investment
Assistant Secretary: Declan Hughes

EU, Digital and Access to Finance
Assistant Secretary: Jean Carberry

Trade
Assistant Secretary: Ronnie Downes

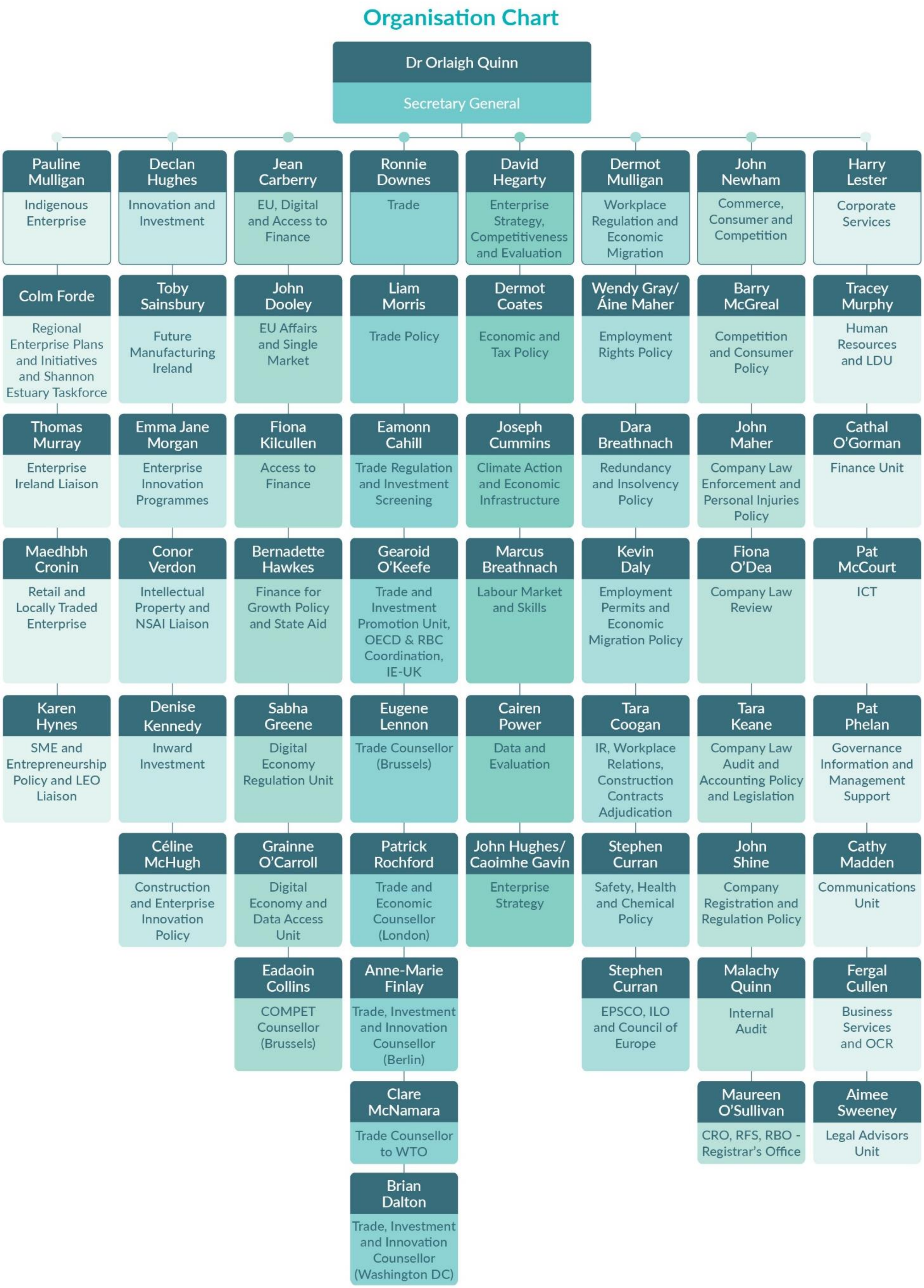
Enterprise Strategy, Competitiveness and Evaluation
Assistant Secretary: David Hegarty

Workplace Relations and Economic Migration
Assistant Secretary: Dermot Mulligan

Commerce, Consumer and Competition
Assistant Secretary: John Newham

Corporate Services
Assistant Secretary: Harry Lester

1.4 Organisation Chart



1.5 Offices & Agencies of DETE

1.6 Staff of the DETE Offices

STAFF RESOURCES

Since 2017, the Department's workforce has increased by 13% to 937.9 (Full Time Equivalents, 973 persons), which has enabled the delivery of our expanded responsibilities. For example, the Department has worked to prepare business for Brexit, with new advisory, financial services and instruments; is responding to global challenges on trade, Brexit and the need to diversify into new markets through expanding our global footprint; continues to respond to the increased demand for Employment Permits through additional resources and systems change; has delivered the Register of Beneficial Owners; has supported the Personal Injuries Commission; has launch and administer the Disruptive Technologies Innovation Fund; delivered several new employment and consumer rights and a National Blended Working Strategy for the Irish workforce; created new Digital Economy Units; strengthened the agenda on climate action; enhanced a number of small policy units; and is becoming more strategic in our Corporate Service functions.

STAFFING NUMBERS AND LOCATIONS

DETE and Offices	Staff
DETE	
▪ 23 Kildare Street, Dublin 2	308
▪ Block C, Earlsfort Centre, Earlsfort Terrace/Hatch St. Dublin 2	204
▪ 59 Dawson Street, Dublin 2	26
▪ Regional based staff assigned to core Departmental business units and functions: Bloom House (6), Lansdowne House (3), O'Brien Road Carlow (3), Lower Hebron Road Kilkenny (10)	22
▪ DETE Staff in Embassies of Ireland Overseas: London (3); Berlin (1); Washington (1); Beijing (1); Irish Mission to the UN, Geneva (3) and Perm Rep Brussels (6)**Included in this count (4) staff seconded to DFA (Brussels)**	15
Companies Registration Office incl:	
Registry of Friendly Societies, Registrar of Beneficial Ownership of Companies	
▪ Bloom House, Gloucester St., Dublin 1	75
▪ O'Brien Road, Carlow	42
Labour Court	
Lansdowne House, Lansdowne Road, Dublin 4	36
Workplace Relations Commission incl: Employment Appeals Tribunal	
▪ Lansdowne House, Lansdowne Road, Dublin 4	103
▪ O'Brien Road, Carlow	66
▪ Centre Park House, Cork	12
▪ Clare Technology Park, Ennis, Co Clare	11
▪ Finisklin Business Park, Sligo	10

Intellectual Property Office of Ireland ▪ Lower Hebron Road, Kilkenny	43
TOTAL	**973**

AGENCIES AND OTHER BODIES

Agencies & other bodies	Staff
IDA ▪ Three Park Place, Hatch Street Upper, Dublin 2	337
Enterprise Ireland ▪ Eastpoint Business Park, Dublin 3	760
Local Enterprise Offices ▪ 31 Offices Nationwide	221
Corporate Enforcement Authority[1] ▪ 16 Parnell Square East, Dublin 1	53
National Standards Authority of Ireland ▪ Northwood, Santry, Dublin 9	195
Health & Safety Authority ▪ Metropolitan Building, James Joyce Street, Dublin 1	239
Competition and Consumer Protection Commission ▪ Bloom House, Railway Street., Dublin 1	148
Personal Injuries Assessment Board ▪ Grain House Exchange Hall, Belgard Square North, Tallaght, Dublin 24	74
Irish Auditing & Accounting Supervisory Authority ▪ Millennium Park, Naas, Co. Kildare	30
Intertrade Ireland ▪ Newry, Co Down	60
TOTAL	**2,117**

The above figures reflect the position on 27 November 2022.

[1] The Corporate Enforcement Authority was established on 7 July 2022

Section 2: Strategic Issues and Priorities

2.1 Departmental Priorities in the coming months

Priority	**Current Position and Timelines for Delivery**
Provide assistance to businesses impacted by the war in Ukraine.	The €200 million *Ukraine Enterprise Crisis Scheme* was launched in October, and amended in December to expand the criteria in line with the EU Temporary Crisis Framework, to assist companies suffering liquidity problems and those impacted by severe rises in energy costs. Legislation for the *Ukraine Credit Guarantee Scheme* was signed into law in December. Funding for Temporary Business Energy Support Scheme is being channelled through our Vote to Revenue.
Mitigate the impacts of Brexit on Irish businesses and on our trading relationship with the UK.	DETE continues to monitor developments and engage on issues relating to the Trade and Cooperation Agreement and the Protocol on Ireland/Northern Ireland. The €100 million Capital Investment Scheme (targeted at the food processing sector) and the *Brexit Resilience Fund* have been introduced to bolster the resilience of companies facing Brexit related challenges.
Advance the Green Transition in Irish Enterprise	Drafting of the *2023 Climate Action Plan* is ongoing. DETE is working with DECC on a range of elements. Sectoral emissions ceilings for the enterprise (including cement) and non-residential buildings sectors will come under DETE's remit. The Government is investing €55 million through Enterprise Ireland's *Green Transition Fund* to help businesses move away from fossil fuels and towards more sustainable, cheaper alternatives
Support the Digital Transition in Irish Enterprise	DETE is leading the implementation of the Enterprise Pillar of the National Digital Strategy to develop the optimal digital ecosystem for SMEs, increasing Ireland's digital competitiveness. DETE is consulting with the EU Commission on implementation of the EU Digital Markets Act and on the establishment of a competent authority in Ireland under the Digital Services Act. DETE has a range of digital transition funding schemes available for enterprise through EI, IDA and the LEOs.
Ensure a coherent policy approach to enterprise needs in all regions of the country.	Implementation of the nine Regional Enterprise Plans is underway. Ireland successfully applied for funding under the European Regional Development Fund, including €145 million for a regional enterprise fund. It is intended to launch a regional enterprise scheme to utilise this funding in early 2023.
Promote and facilitate FDI to attract jobs and investment to Ireland.	DETE is working with IDA Ireland as it targets an additional 50,000 jobs in client firms for the period 2021-2024, attracting 400 new investment projects to the regions, driving a 35% reduction in carbon by 2030 and increasing RD&I and training investments by multinationals in Ireland.
Promote free, open trade in support of Ireland's economic model	Amid geopolitical tensions, there are growing calls for the EU to move away from open trade and towards protectionism and industry subsidies, in the name of 'EU strategic autonomy'. Ireland must advocate strongly for 'open strategic autonomy' via the EU Trade Council and other fora. In particular the EU-US

	Trade & Technology Council is a focus of our efforts to maintain and deepen transatlantic trade relations.
Engage directly with stakeholders from the business community on priorities and issues of concern.	There are a number of fora to facilitate engagement with sectoral groups, including the Construction Leadership & Integration Group, Future Manufacturing Forum, Retail Forum and the Enterprise Forum which provide valuable opportunities for Ministerial engagement on a range of issues. A further series of meetings will be scheduled for 2023.
Support strategic long-term investment by businesses, including in the agriculture and seafood sectors.	DETE and DAFM are collaborating with the SBCI and European Investment Bank on the *Growth and Sustainability Loan Scheme,* to encourage SMEs to invest for their future. It is intended to operationalise the scheme for launch in the market in the first half of 2023.
Ensure that Irish SMEs can access finance.	DETE is providing a range of options for SMEs to access finance through Microfinance Ireland loan schemes. To ensure that appropriate options for accessing finance continue to be available, we have passed the Credit Guarantee (Amendment) Act on the 2nd December and have progressed legislative amendments to the Microenterprise Loan Fund Act.
Facilitate Irish companies to sustainably grow and diversify export markets	Ireland's new Trade and Investment Strategy *Value for Ireland, Values for the World* was launched in 2022, and the Trade and Investment Council is overseeing implementation. A programme of Ministerial Trade Missions will be scheduled for 2023 to support the goal of securing market access for companies that are aiming to grow business overseas and an annual Taoiseach-led 'Team Ireland Trade Mission Week' will be inaugurated in 2023.
Provide employees with a statutory entitlement to sick pay.	The *Sick Leave Act 2022* will achieve this priority. The Act will commence on 1st January 2023.
Provide employees with a statutory entitlement to request remote working.	Government has approved the integration of the *Right to Request Remote Working Bill 2022* into the *Work Life Balance Bill 2022* (DCEDIY), which is expected to conclude all stages by year end. WRC to publish Code of Practice in 2023.
Implement outstanding actions from the *Plan of Action for Collective Redundancies following Insolvency.*	Company law and employment law actions will be progressed through a single Bill. WREM and CCC Divisions are working on an approach to this.
Review and implement Doherty Report on promotion of collective bargaining	Report received Q4 2022; The Department will make proposals, consult the Labour Employer Economic Forum (LEEF) and draft a Memo for Government by end-2023
Operate an efficient employment permits regime for the benefit of businesses and workers.	The Employment Permits Bill 2022 will complete passage through the Oireachtas Q1 2023 and related Regulations will be completed.
Enhance our business regulatory environment to ensure Ireland remains an attractive place to do business.	The Department hopes to propose miscellaneous amendments to the Companies Act in 2023 which would permanently provide for virtual AGMs along with additional corporate supervision and enforcement powers/matters. Other legislation in the form of Statutory Instruments will arise transposing directives on cross

	border mergers; country by country reporting of tax; and corporate sustainability reporting. Progress will be made on other EU files including the topical Corporate Sustainability Due Diligence directive.
Enhance and modernise consumer protection legislation.	Following the *Consumer Rights Act 2022,* which updates consumer protection legislation and introduces new and enhanced consumer protection measures, a Bill will be introduced to transpose an EU Directive permitting *groups* of consumers to take collective actions through a designated qualified entity. A prolonged pre-legislative scrutiny has meant the Bill could not be proposed to Government and brought through the Oireachtas thereby missing its transposition deadline.
Ensure that Ireland's insurance sector becomes more competitive and consumer-friendly, and supports enterprise and job creation	Implementation of the *Action Plan for Insurance Reform* is on track, with 90% of actions complete or ongoing. The Subgroup on Insurance Reform will meet again in Q1 2023 to continue to drive implementation. On foot of the very recently concluded Personal Injuries Resolution Board Act 2022, the Department will be monitoring PIAB's implementation of the legislation especially regarding its new mediation functions.
Address the national security aspects of Ireland's international trade and investment strategy.	The Screening of Third Country Transactions Bill, which provides for security screening of foreign investments, will go to Committee Stage in January; and the Control of Exports Bill, which modernises our approach to export controls, will be published shortly.
Increase the National Minimum Wage and transition to a Living Wage.	The National Minimum Wage will increase to €11.30 per hour from 1st January 2023. Recommendations from the Low Pay Commission relating to transitioning to a Living Wage were agreed by Government on 16th November 2022 and a transition will be introduced over a four-year period and will be in place by 2026, at which point it will replace the National Minimum Wage.
Implement blended working	The Department will implement its Blended Working Policy and adjust its work practices to thrive in a hybrid environment.

2.2 International Meetings attended by the Minister

The Minister (or appropriate Minister of State) is typically invited to attend the Ministerial-level meetings of the following EU and international bodies:

- EU Trade Ministers meetings including Foreign Affairs Council (FAC) Trade
- EU Competitiveness Council (COMPET)
- EU Employment, Social Policy, Health and Consumer Affairs Council (EPSCO)
- World Trade Organisation (WTO) Ministerial Conferences
- Organisation for Economic Co-operation and Development (OECD) Ministerial Council
- International Labour Conference of the International Labour Organisation (ILO).

2.3 Key Upcoming Events in the Minister's Diary

Month	Date	Meeting / Appointment	Location
January	10th	Enterprise Ireland 2022 End of Year Statement	Dublin
	W/B 16th (TBC)	Launch of LEO Employment results	TBC (LEO client location)
	22-24th	Design and Crafts Council of Ireland – Showcase expo	RDS
	W/B 23rd	SME and Entrepreneurship Taskforce – opportunity to meet Taskforce members directly	Kildare St.
Jan/Feb	30-2	Trade mission – Arab Health	Dubai
February	14-15	OECD Ministerial on Responsible Business Conduct	Paris
March	9/10	FAC Trade (informal)	Sweden
	TBD	Launch first White Paper on Enterprise Implementation Plan	TBD
Q1	TBD	Launch of Shannon Estuary Economic Taskforce Final Report	Most likely Government Buildings with the Taoiseach
Q2	TBD	Inaugural DETE Trade & Investment Conference	Dublin
April	19-21	EI Global Summit - Also celebration of 25 years of EI	RDS
May	25	FAC Trade	Brussels
July	Mid-July	Publication of Annual Report of EI	TBC
October	TBC	International Markets Week	TBC

In Planning – Dates to be confirmed	
TBC	Launch National Clustering Framework under Ministerial stewardship
Throughout the year	Regional Enterprise Plan Steering Committees – 18 per annum (2 per region). Ministerial attendance optional.
March & October	National Oversight Group of Regional Enterprise Plans
Quarterly from March	Retail Forum
Quarterly (months TBC)	Enterprise Forum

2.4 Department Budget

Revised Estimates 2023 Allocation

The Revised Estimates Volume 2023 was published on the 13th December. The REV provides the Department with a gross allocation of €1.621 billion for use next year, broken down between €1.035 billion in current funding and €585.6 million in capital funding. The Table below sets out the allocations to each of the Department's three Programmes for next year.

PROGRAMME AREA	2023 GROSS ALLOCATION		
	Current €000	Capital €000	Total €000
A: JOBS & ENTERPRISE DEVELOPMENT	896.610	349.612	1,246.222
B: ENTERPRISE INNOVATION & COMMERCIALISATION	22.701	235.999	258.700
C: REGULATION	116.491	0	116.491
Gross Total:	1,035.802	585.611	1,621,413
APPROPRIATIONS-IN-AID (i.e. estimated income)	67,213	4,708	71,921
Net Total:	968.589	550.903	1,549,492

The 2023 Revised Estimates allocation reflects the settlement agreed in the Budget and the increases in the Department's current and capital allocation secured at that time. In terms of current funding, the REV increases allocations in several areas such as:

- the cost of increases under the original Building Momentum pay agreement.

- the Department's admin budget to service the increasing demands for work permits, its expanded programme of policy and legislative initiatives such as climate, digitalisation, employment rights and non-pay to meeting increased funding for ICT, travel and career development.
- current funding for IDA to support promotional activities as well as funding pension obligations and a modest increase in staff.
- a pension allocation for EI to allow it to meet a pension deficit.
- increased pay allocation for the WRC to fill some vacancies.
- the current allocation of the CEA to meet funding requirements arising from its establishment as an independent agency.
- allocation to the CCPC to recruit additional staff and fund increased non-pay programmes
- allocation to meet the increasing cost of WTO membership.

In terms of capital funding, the REV increases funding in areas such as

- IDA to support its Regional Property Programme, NIBRT, Advanced Manufacturing and Grants.
- Enterprise Ireland to support its Green/Climate Transition Fund and its Enterprise Digitalisation Fund.
- the Local Enterprise Offices to provide increased supports to assist SMEs under the green4micro programme and to expand support to those employing more than 10 people.
- the Science and Technology Development programme to support the Technology Transfer Strengthening Initiative, the Technology Gateways programme and the European Innovation Hubs.
- the European Space Agency Programme to enable Irish companies to secure additional ESA related contracts thus helping them to sustain and create new jobs.

Aside from increases in the funding for existing programmes, the Revised Estimates also provides for funding for new programmes such as the Digital Services Coordinator office and the continuation of funding payments under the Temporary Business Energy Support Scheme (€650mn). In addition, the REV also includes allocations for non-core programmes such as the ERDF supported Enterprise Development and Innovation programmes, Housing for All implementation activities.

The Revised Estimates also provides the Department with €54.5 million in unused 2022 capital appropriations for use in 2023. €30.5 million of the capital carryover is being allocated to the IDA to increase funding to programmes such as its Regional Property programme, IPECI etc. The other €24 million is being allocated to EI to support programmes such as the Ukraine Crisis Enterprise Scheme, the REDF/BEDF programmes and the Online Retail Scheme.

Programme A – Jobs and Enterprise Development

The primary objective of this programme area is to maximise sustainable job creation across the enterprise base. The Department aims to position Ireland as a competitive, innovation-driven location in which to do business, to promote entrepreneurship, to develop a strong indigenous enterprise base, to target future inward investment and to grow exports in existing and fast-growing markets.

This programme area covers the "Future Jobs" agenda as well as activities carried out by specific policy areas of the Department spanning indigenous enterprise, regional development, micro-finance, state-aid, EU affairs, trade, foreign direct investment, competitiveness issues and the green economy.

Under Programme A funding provision is provided to the following agencies and programme lines:

- InterTrade Ireland

- IDA Ireland
- Enterprise Ireland
- Local Enterprise Offices (LEOs)
- National Standards Authority of Ireland
- Funding to meet the cost of payments under the Temporary Business Energy Support Scheme

Funding under Programme A is also provided:

- To assist North-South measures via the Enterprise Development strand of the cross-border INTERREG programme
- For the Credit Guarantee Scheme
- For Ireland's membership of the World Trade Organisation
- To pay for Agency legacy pensions (for retired employees of the enterprise agencies)
- To meet commitments under SBCI loan schemes such as the Future Growth Loan Scheme

Programme B – Enterprise Innovation & Commercialisation

The primary objective of this programme is to foster and embed a world class innovation system that underpins enterprise development and drives commercialisation of research to build national competitive advantage across the economy. Funding is provided for strategic investments in research, development and innovation and the development of human capital. This Programme also funds the Disruptive Technologies Fund which is one of the four headline Funds established to drive the delivery of the core priorities identified in the National Development Plan.

Funding to support the Department's activities under **Programme Area B – Enterprise Innovation & Commercialisation** are delivered by and through:

- The Intellectual Property Office of Ireland
- Enterprise Ireland R&D supports

Funding under this programme area also covers Ireland's memberships of various international research organisations such as:

- European Space Agency (ESA)
- Eureka

The Innovation Programme also funds the Disruptive Technologies Innovation Fund Programme. The DTIF is a challenge- based Fund to develop disruptive innovation technologies on a commercial basis to tackle national and global challenges. Under the National Development Plan a total of €500m will be allocated to the DTIF over the lifetime of the Plan out to 2030.

Programme C – Regulation

The primary objective of this Programme is to ensure that Ireland's business regulatory system and dispute resolution mechanisms facilitate fair, efficient and competitive markets, for businesses, employees and consumers.

Funding under **Programme Area C – Regulation** covers the following:

- Workplace Relations Programme, including the WRC, the Labour Court and the EAT

- Companies Registration Office (CRO) incorporating the Registrar of Friendly Societies
- Competition & Consumer Protection Commission
- Health and Safety Authority (HSA)
- Irish Auditing and Accounting Supervisory Authority (IAASA)
- Corporate Enforcement Authority (CEA)
- Digital Safety Coordinator office

The activities of the High-Level Group on Business Regulation, the Company Law Review Group and the Sales Law Review Group are also included under this Programme area. Ireland's membership of the International Labour Organisation is also provided for under this programme area.

National Development Plan

The revised National Development Plan was published in October 2021. The Plan provides for a capital investment package of €165 billion for the ten-year period 2021 to 2030. The Plan will support economic, social, environmental and cultural development across all parts of the country under Project Ireland 2040 in parallel with the National Strategic Outcomes (NSOs) set out in National Planning Framework.

The Department, along with the Department of Further and Higher Education, Research Innovation and Science has lead responsibilities under the Plan for the National Strategic Objective of delivering *A Strong Economy supported by Enterprise, Innovation and Skills*.

Capital funding in excess of €2.7 billion has been allocated to assist the Department in progressing these investment projects/programmes in the first phase of the Plan to 2025.

Details of the Department's NDP ceilings out to 2025 are set out in the Table below :

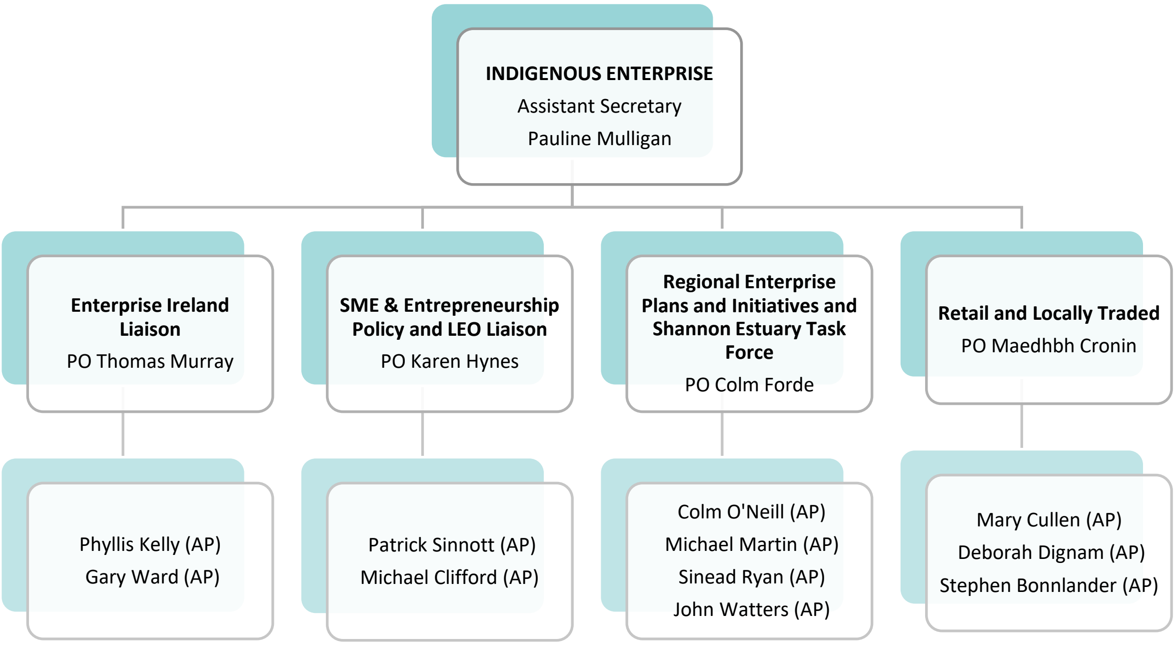
	2021	2022	2023	2024	2025	Total
Allocations	423m	523m	558m	584m	611m	2.699m
Incl NRRF		20m	35m	40m	45m	140m

The NDP allocations include the funding secured from the National Recovery and Resilience Fund to support the Department's Programme to Drive Digital Transformation of Enterprise in Ireland and the Programme to Accelerate Decarbonisation of the Enterprise Sector, which were both approved as priority programmes under the National Recovery and Resilience Plan.

Section 3: Other Key Issues by Division

The following sets out in summary the key policy and related issues in each division of the Department.

3.1 Indigenous Enterprise Division



AGENCIES

Enterprise Ireland	Leo Clancy – CEO

ASSOCIATED BODIES

Design and Crafts Council of Ireland	Rosemary Steen – CEO

ROLE OF THE INDIGENOUS ENTERPRISE DIVISION

The primary role of the Division is to support indigenous enterprise in all regions of Ireland. The Division works to ensure that supports are in place to promote and develop entrepreneurship, to help businesses to start, scale and export, and to advocate across government for a supportive business environment. Working with Enterprise Ireland, the 31 Local Enterprise Offices, the Design and Crafts Council of Ireland, and nine Regional Enterprise Plan Steering Committees, the Division ensures supports are aligned to meet evolving business needs to adapt to global challenges and opportunities, in particular climate change and digitalisation.

THE KEY PRIORITIES FOR THE INDIGENOUS ENTERPRISE DIVISION INCLUDE:

Governance and liaison responsibilities for Enterprise Ireland

The oversight, monitoring and management of the performance of Enterprise Ireland (EI) is strategically important to ensure that the agency delivers programmes and services across the regions in line with the annually agreed Oversight and Performance Delivery Agreement (OPDA).

This must align with Departmental and enterprise policy objectives and with EI's agreed three-year strategy 2022-2024. It includes financial oversight of EIs budget and management of staffing in the context of current inflationary and other challenges e.g. Ukraine, residual Covid/Brexit impacts.

Current position

Targets and performance measures in the 2022 Oversight and Performance Delivery Agreement (OPDA) are broadly in line with the objectives set. EI underspends have been reallocated as part of the Department's capital carryover request (2023) to DPER, including allocation of funding to the Ukraine Enterprise Crisis Scheme.

Next steps

Negotiations on the 2023 OPDA will commence in January with sign-off before end March 2023 by EI CEO Leo Clancy and DETE Secretary General. The OPDA must be consistent with the White Paper on Enterprise and SME Taskforce recommendations. 2022 End of Year Results to be announced by Minister on 10 January 2023.

Ukraine Crisis Response - Ukraine Enterprise Crisis Scheme

To deliver a strategic response to the crisis created by Russia's war against Ukraine, and in order to align with the EU Commission's request for a coordinated economic response by member states to preserve economic activities and jobs, Government has approved funding of up to €200m for EI to implement the Ukraine Enterprise Crisis Scheme. The Scheme was launched on 27th October 2022. There are no restrictions on the size of eligible companies, which will receive a minimum of €20,000 and a maximum of €500,000, and up to €2m in the case of energy intensive firms.

This Scheme is open to viable but vulnerable eligible companies in manufacturing and internationally traded services which have been impacted by the war in Ukraine, including by excessive increases in energy costs. It is a mix of grants and other instruments, repayable grants, loans and equity. Companies applying for assistance have to demonstrate that they have an energy efficiency plan in place, or are preparing a plan to reduce future energy consumption as the enterprise sector transitions to a more sustainable future.

Current position

The EU Commission adopted revisions to the original Temporary Crisis Framework (TCF) on 28th October 2022 by increasing aid intensities and extending the TCF to end 2023. Amendments to the scheme are required to incorporate both the EU Commission's increase in aid available, the extension of the Scheme to end 2023, [redacted]

Next Steps

Following agreement by Government on 13 December, EU State Aid approval and sanction by DPER is envisaged by end 2022. [redacted]

Brexit Adjustment Reserve (BAR)

The Brexit Adjustment Reserve (BAR), funded through the EU, provides support to counter the adverse economic, social, territorial and, where appropriate, environmental consequences of the withdrawal of the United Kingdom from the EU. The eligibility period for spending under the BAR runs for 4 years, 2020 to end of 2023. Therefore, measures and/or projects begun in 2019 could be eligible if the spending was incurred and paid in 2020. Any measures or projects potentially eligible for funding under the BAR must be able to show a direct link to Brexit.

Current Position

EI is also conducting a review of existing schemes and programmes to determine whether all or any elements of this funding is eligible under BAR. EI has launched an open call for client companies that continue to suffer Brexit impacts. The Open Call will provide up to €10m from the BAR. Should demand exceed this, a case can be made to PER for additional funding to meet the cost of further calls.

Next Steps

Continued monitoring and tracking of EI spend in relation to the new open call under BAR funding and concerning the composition of the retrospective BAR claim.

Humanitarian Flooding Scheme

The Humanitarian Flooding Scheme is an emergency humanitarian contribution towards the costs of returning business premises and community, voluntary, and sporting bodies to their pre-flood condition, including the replacement of flooring, fixtures and fittings and damaged stock. The scheme is available to organisations with up to 20 employees that cannot secure flood insurance. It is instigated on an ad hoc basis by a Memo for Government on the occasion of each severe weather event that causes flooding. Because of the increasing frequency of such severe weather events, the issue of devising a more efficient administrative process for instigating the Scheme has arisen.

Current position

To date in 2022, €104,948 has been paid out in respect of flooding in the Southeast at Christmas 2021. Further payments are still outstanding on schemes approved for flooding in Wexford in August 2022, and in Cork and Wexford in October 2022. €250,000 has also been approved by Government on an exceptional basis to assist the Creeslough community. Funding for the Scheme is provided from the Department's supplementary estimate each year.

Next Steps

The Department is currently examining how the Scheme can be operated on an administrative basis by the Department

National Design Centre

The National Design Centre (NDC) was identified as a key part of bringing the policy framework for design in enterprise in Ireland to life, and its development was included as part of Project Ireland 2040 (National Planning Framework). In 2020, the Department commissioned a feasibility study to scope out options for creating a National Design Centre for Ireland that would meet policy objectives and be well integrated into the current design and enterprise sector.

Current position

Progress on this project has stalled due to other pressing demands such as implementation of a series of business measures tackling the Brexit, Covid 19 and Ukraine crises.

Next steps

The Department is reassessing the methodology and approach to delivering on the objectives of a NDC in Ireland, including through engagement with the Design and Crafts Council of Ireland.

Governance and liaison responsibilities for Local Enterprise Offices

The oversight, monitoring and management of performance of Local Enterprise Offices (LEOs) is strategically important to ensure that the LEOs deliver programmes and services across the network in line with the Enterprise Ireland Oversight and Performance Delivery Agreement (OPDA). This includes financial oversight of LEO budget, rollout of the Framework to extend direct financial assistance to those potential exporters who have grown to more than 10 employees; the roll out of a digital transformation project that will improve financial governance, monitoring of programmes and services and the overall capacity of the LEO network; and the rollout of a capital grant support for all enterprises to lower their carbon emissions.

Current position

Targets and performance measures in the 2022 OPDA are broadly in line with the objectives set.

Next steps

LEO 2022 End of Year Results to be announced by Minister week beginning 16 January 2023. Negotiations on the 2023 OPDA will commence in January culminating in agreement and sign-off before end March 2023 by EI CEO Leo Clancy and DETE Secretary General. The OPDA must be consistent with the White Paper on Enterprise and SME Taskforce recommendations. In 2023 DETE, EI and the LEO network will assess the potential costs and benefits of extending LEO advisory services to more locally traded enterprises, as committed to in the White Paper.

Regional Enterprise Plans to 2024

The Department published and launched 9 new Regional Enterprise Plans (REPs) to 2024 in early 2022. The REPs are developed by regional stakeholders using a 'bottom-up' approach and focus on collaborative initiatives that help strengthen the enterprise ecosystem and promote enterprise growth and job creation across Ireland.

Current position

Implementation of the agreed Strategic Objectives and actions of the REPs is underway. The Department oversees implementation nationally while implementation is driven regionally by Steering Committees, chaired by a senior person from the private sector and supported by a Programme Manager.

Next steps

The Department will continue to encourage and support the establishment of robust regional implementation structures to ensure the REPs are primed to take advantage of upcoming funding. The Department will design and oversee development of the first/mid-term progress report which is expected by the end of Q2 2023.

Regional Enterprise Funding

Balanced regional development is a priority for Government. Regional enterprise funding is required to drive implementation of the Regional Enterprise Plans and support Smart Specialisation across the regions.

Current position

€145m in funding has been secured under the European Regional Development Fund (ERDF) to 2027 for regional enterprise. This is in addition to a €12m REDF/BEDF Addendum fund which is in place to support existing regionally funded projects which have incurred unforeseen additional construction costs.

Next steps

Officials are working with Enterprise Ireland on developing a new ERDF regional enterprise funding scheme ('Strategic Regional Enterprise Innovation Scheme') of which €35m will be announced in early 2023. There will be further calls on an annual basis.

Shannon Estuary Economic Taskforce

The Shannon Estuary Economic Taskforce was formally established by the Tánaiste on 21st April 2022 to consider the economic development potential of the Shannon Estuary region, in accordance with a commitment in the Programme for Government. That commitment arose following the withdrawal of the Shannon LNG terminal from the EU Projects of Common Interest list in 2021. DETE provide the Secretariat to the Taskforce.

The Taskforce is comprised of regional stakeholders from industry, academia, research, and local government, and its overarching objective is to create a long-term vision for the region and to outline an action plan to achieve it. That action plan will be based on opportunities identified under four pillars of work being carried out by subgroups of the Taskforce, with input from key government departments, agencies, local government officials, and industry stakeholders. The four pillars are:

1. Offshore Energy
2. Onshore Renewable Energy
3. Transport, Logistics, and Connectivity
4. Tourism

Current position

The Taskforce has conducted extensive stakeholder consultation across the four focus areas, in addition to holding two public consultations and engaging with members of the Oireachtas from the region, the region's MEPs, relevant cabinet ministers, and elected officials from each of the four local authorities (Clare, Limerick, Tipperary, and Kerry). Following this, the subgroups have identified preliminary recommendations and emerging themes which are set out in the Taskforce's interim report (December 2022). A second round of targeted consultations is now being arranged in order to assist the Taskforce in developing its recommended actions, including potential implementation models.

Next steps

Following submission of the interim report to the Tánaiste in December 2022, the Taskforce has agreed the following next steps:

1. Develop a detailed set of recommendations based on the themes highlighted in the interim report which are both ambitious and actionable,
2. Consider possible implementation models,
3. Prepare a final report in Q1 2023 which will include an action plan and implementation options.

DETE Enterprise Forum

This high level DETE Forum, chaired by the Minister for ETE (co-chaired by the Secretary General), discusses enterprise policy implications arising from emerging national and international challenges, with a particular focus on capturing the views, concerns and suggestions of the enterprise sector. Membership comprises senior DETE officials, DETE State Agencies and external stakeholder bodies.

Current position / Next Steps

Meetings held quarterly (or as necessary), next date in Q1 2023 TBC.

Retail Forum

The Retail Forum was established in 2014 to provide a platform for structured engagement between the Retail Sector and government departments/bodies to identify practical actions which can be taken by Government, or by the industry itself, to assist the sector. Membership includes retail representative bodies, a number of individual retailers, the City and County Managers Association, and relevant government departments. The Forum meets four times a year, chaired by the Minister for Business, Employment and Retail. Recent engagement with the sector focused on Labour Shortages and the Living Wage. Intensive engagement took place with the sector through Covid and Brexit with a particular emphasis on supply chain and consumer impacts.

The strategic issues for 2022 / 2023 include:

Supporting sustainable employment growth in the Retail Sector in light of rising energy costs/cost of doing business generally, digital and sustainable transformation, productivity and competitiveness; and

Implementing the Retail Forum Work Programme 2022-2023 (informed by the Future of Retail Report and co-developed with the members) including through 3 Working Groups: Digitalisation & Skills; Green Transition; and Town Centre First & Night-time Economy.

Online Retail Scheme

Trading online is an important route for retail businesses to grow, and to become more resilient and sustainable. In response to the challenges and opportunities posed by the digital transformation of retailing, the Department launched a pilot Online Retail Scheme in 2018. The purpose of the scheme is to help eligible retailers to develop a more competitive online business offering to complement their in-store offering.

Current position

Since 2018 more than 700 projects from retailers based in Ireland have been approved for €28.3m in funding over the six calls of the Government's Online Retail Scheme. The last competitive call of the Online Retail Scheme (July 2022) had a budget of €9.3m, which was funded from the Capital Carryover Fund.

Next Steps

A spending review was undertaken this year and is now completed with a positive conclusion. Subject to funding and sanction we intend to mainstream the Scheme in 2023.

Locally Traded Sector

We are prioritising identification of issues that impact the growth and development of ambitious firms in locally traded sectors and initiatives which would support the developmental needs of these sectors, with particular reference to climate, digitalisation and skills challenges and opportunities.

Current position / Next Steps

There is ongoing engagement with Departmental colleagues, cross-Departmentally and with relevant stakeholders, on existing and planned policy and sectoral supports; including consideration of the inclusion of other sectors or sub sectors in current or upcoming schemes, and with particular emphasis on working with relevant bodies to identify data relevant to the sector.

Enterprise Supports Information and Data

IED are prioritising effective coordination and communication of enterprise supports, in particular energy supports to business, as well as collating data on take up of supports in order to inform policy responses. IED are working to ensure the timely transfer of funding from DETE's Vote to Revenue in order to ensure maximum drawdown of funds by business under the Temporary Business Energy Support Scheme (TBESS).

Current position / Next Steps

- Continue to liaise internally and across Government on supports and take up.
- Engage with ESCED to undertake evaluation of Restart and SBASC Schemes. Continue to work closely with Revenue on TBESS funding transfers.

Taskforce on SMEs and Entrepreneurship

The Programme for Government committed to delivering a National SME Growth Plan to map out an ambitious long-term strategic blueprint for SMEs and Entrepreneurs. The SME and Entrepreneurship Taskforce was appointed to produce a report with a broad range of measures to help SMEs and entrepreneurs to start up, scale up and access foreign markets, as well as recommendations aimed at helping SMEs to become more productive and ready for the transition to a digital, green economy. The Taskforce, chaired by both Ministers of State, is currently overseeing the implementation of 10 agreed priorities.

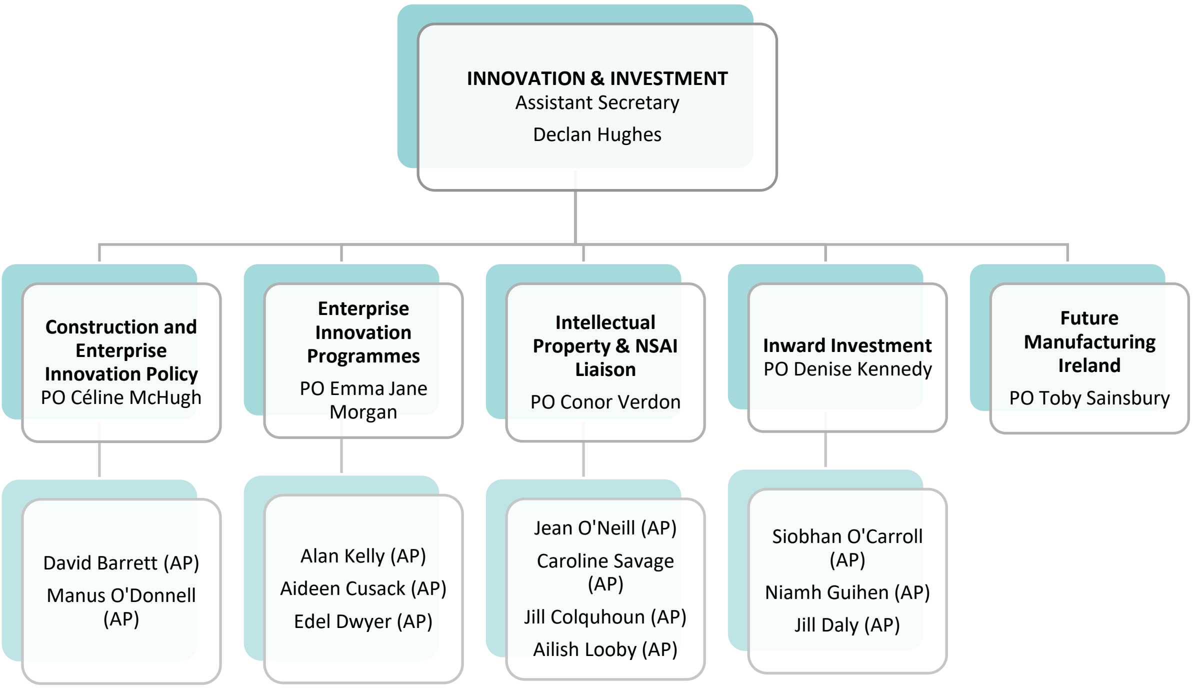
Current position

Significant progress has been made on the 10 priorities, including the extension of the LEO mandate to work with companies with the potential to export and who have grown to more than 10 employees; reducing the regulatory burden on small businesses through the rollout of the SME Test; the launch of the new Skills for Better Business tool to help small businesses improve SME management skills; an improved portal for business information and assistance which has recently gone live: www.supportingsmes.gov.ie; a new clustering framework; and a range of new instruments launched in 2022 to improve access to finance and digitalisation. Report on progress was noted by the Cabinet at its meeting on the 13th December.

Next Steps

The Taskforce will meet in January 2023 to agree a list of priorities for the year following consultation with the Ministers of State and the members of the Taskforce, and also guided by the White Paper on Enterprise.

3.2 Innovation and Investment Division



OFFICES

Intellectual Property Office of Ireland	James Kelly Controller of Intellectual Property

AGENCIES

IDA Ireland	Mary Buckley Interim CEO
National Standards Authority of Ireland	Geraldine Larkin CEO

ROLE OF THE INNOVATION & INVESTMENT DIVISION

The Innovation and Investment Division has policy and delivery management responsibility for the attraction of foreign direct investment to Ireland, enterprise innovation policy and programmes, standards policy and certification, and intellectual property policy and protection. The Division also leads DETE engagement on Construction Sector Innovation to deliver on Housing for All and the DETE actions in the National Development Plan.

This mandate includes responsibility for, and oversight of, IDA Ireland, the innovation programmes of Enterprise Ireland, the National Standards Authority of Ireland (NSAI) and Intellectual Property Office of Ireland (IPOI).

THE KEY PRIORITES FOR THE INNOVATION & INVESTMENT DIVISION INCLUDE:

Promote inward investment

The Inward Investment Unit takes a holistic view on inward investment attraction and promotion, bringing new technologies and innovations, investments and jobs to the country. There are over 452,000 people employed in foreign owned firms in Ireland, of which 301,000 are employed in IDA clients. The Unit works principally with IDA Ireland, but also with a wide range of stakeholders including government departments, agencies, higher and further education, and representative bodies to deliver new investment for Ireland, and to the regions in particular.

IDA's targets for the period 2021-2024 are to assist the creation of an additional 50,000 jobs, attract 800 new investment projects (of which 400 are to the regions) and to drive new climate, sustainability, RD&I (Research, Development and Innovation) and training investments by multinationals in Ireland. The key competitiveness issues in securing new investment to Ireland relate to energy costs and security of supply, regional capacity, water and wastewater services capacity, speed of environmental licensing, planning and housing availability in key regional locations to facilitate labour market growth, and attraction of talent to the regions.

The Unit also operates a system of Early Warning Reports (EWRs) for FDI clients that may be experiencing trading difficulties or may be ceasing operations in Ireland. The number of EWRs for the first 11 months of 2022 is higher than the same period in 2021. The consumer technology sector and traditional manufacturing are two sectors with higher numbers of EWRs and the Unit engages proactively with the IDA and other stakeholders to ensure assistance is available to impacted employees and every effort is made to reduce job losses.

Current position

There are currently a number of significant employers being impacted by global trading conditions and the war in Ukraine [redacted] where the Unit is working closely with IDA, and where there is ongoing political engagement as circumstances change.

Progress IDAs Regional Property Programme

The timely provision of appropriate, innovative, and cost-effective property and infrastructure solutions that meets the needs of multinational companies remains essential to winning Foreign Direct Investment. IDA Ireland's regional property programme aims to ensure availability of land, buildings and infrastructure in regional locations for current and prospective clients of IDA, Enterprise Ireland and the local LEO's.

Over the lifetime of their current strategy "Driving Recovery & Sustainable Growth 2021-2024" IDA Ireland will deliver 19 Advanced Building Solutions (ABS) in 15 regional locations. These locations were chosen based on extensive analysis, engagement, review, and consultation as well as macroeconomic considerations, existing clusters, and available resources. The IDA is also in the process of developing a major new strategic site for large-scale capital-intensive projects which can have significant regional and national economic impacts.

Current position and next steps

Over the last 5 years, IDA Ireland's Regional Property Programme has enabled the winning of capital-intensive projects of significant scale to regional locations. The Exchequer Budget for the Regional Property Programme in 2023 is €60m, which together with use of Own Resource Income and carryover will bring the total IDA property budget to over €100m for 2023.

Where appropriate, IDA Ireland will also partner with Local Authorities and the private sector to deliver additional buildings in key locations. The Agency will maintain a focus on land banks and utility intensive strategic sites to future proof the ability of their property portfolio to support the project pipeline.

Drive the Green and Digital Transition of the Foreign Direct Investment (FDI) base

IDA FDI clients account for about 1.7m tons CO_2 of carbon emissions, equivalent to c.21% of DETE's Carbon Budget. IDA is focused on achieving the target of 35% reduction in CO_2 from its clients by 2030, equivalent to a 600k ton CO_2 reduction. In 2022, IDA Ireland commenced several new schemes to support companies in the areas of decarbonisation, digital transition, and to counter the adverse effects of increasing energy costs. These measures have been facilitated under the National Recovery and Resilience Fund and the European Commission's Temporary State Aid Crisis Framework.

Next steps

IDA has developed a new scheme to expand their offering to large clients in the areas of decarbonisation and the digital transition as part of the EU Temporary Crisis Framework.

Negotiate the EU Chips Act

The Inward Investment Unit is leading Ireland's engagement with the EU on proposals to increase the production of semiconductors in Europe from 7% of global supply currently to 20% by 2030. In February 2022 the Commission proposed the EU Chips Act as a Regulation to strengthen the European semiconductor ecosystem, to increase the EU's security of supply of semiconductors and to develop new markets for cutting-edge European technologies. The proposal is to support technology capacity building and large-scale innovation across the EU, to attract increased investment and production capacity in semiconductor manufacturing, and to provide a mechanism to monitor and respond to shortages in the supply of semiconductors. As one of Europe's main chips manufacturing locations currently, this is an important initiative for our industry.

Current position and next steps

DETE Officials and the DETE team in the Perm Rep in Brussels is negotiating Ireland's position on the proposal through the Competitiveness and Growth (Industry) Working Party in the Council of the EU. Ireland generally welcomes the objectives of the Chips Act and supported a general approach at the Competitiveness (COMPET) Council of the 1st of December 2022. During the COMPET Council on the 1st of December, the Czech Presidency achieved a general approach on the text and the Swedish Presidency will now progress trialogue negotiations with the European Parliament, with the objective of completing these by mid-2023.

Implement polices for enhanced enterprise innovation

Firm level investment in innovation is essential to drive growth in productivity, sales, exports and ultimately wages for workers. The Enterprise Innovation Policy Unit leads on the formulation and implementation of enterprise innovation policy. The Unit works closely with DFHERIS on ensuring coherence of research funding in the higher education sector and on ensuring the relevance of Science Foundation Ireland funded research programmes to enterprise in Ireland.

There are two key policy documents in the enterprise innovation space:

1. *Impact 2030* is Ireland's new research and innovation strategy, led by DFHERIS. It takes a whole-of-government approach to innovation with a focus on maximising the impact of research on our economy and society. DETE, together with EI and IDA, is leading on several metrics and targets in the Strategy, including doubling the number of high-performance

start-ups from research to 30 per annum by 2030, doubling business expenditure on R&D by 2030, increasing researchers in enterprise by 50% and increasing EI client productivity to 2.5% pa by 2024. DETE is continuing to proactively engage with our agencies to ensure that we meet our targets.

2. DETE leads on the *National Smart Specialisation Strategy for Innovation 2022-2027* (S3), which was published in July 2022. S3 sets out a new vision for how innovation, enterprise and regional policies will work together over the coming years. It includes the identification of new collaborative opportunities at both national and regional level and new innovation programmes under the European Regional Development Fund (ERDF). The development of S3 was an essential pre-requisite for Ireland to receive EU Structural Funding of €396 million to support our regions.

Current position and next steps

As required by the European Commission, the Unit has established a National Implementation Group (IG) for S3 with representation from DPER, DFHERIS, EI, IDA Ireland, Science Foundation Ireland, and the three Regional Assemblies. The IG will have overall responsibility for the delivery of S3 national and regional strategic priorities by bringing together relevant policy leads, as well as related agencies and bodies directly involved in its implementation as required. Following the first meeting of the S3 IG in December, the Unit will continue to proactively engage with stakeholders to ensure the ongoing monitoring and implementation of S3.

With regard to *Impact 2030*, DETE is involved in the governance, monitoring and implementation of the strategy through membership of the Steering Group and also the broader Implementation Forum of the Strategy.

Develop a competent national authority for Horizon Europe Security Guarantees

Horizon Europe is the EU's primary mechanism for the funding of research, with a budget of up to €95bn in the period to 2027. The funding can be accessed by researchers and businesses applying through open, competitive calls for funding for research activities.

Under the Horizon Europe Regulation, eligible applicants for certain calls can be restricted for security purposes. These restrictions apply for justified security reasons, where they are necessary to protect essential security and/or defence interests of the Union and/or its member states or to maintain public order and public security. Restrictions only apply to a very small number of Horizon Europe calls currently and DFHERIS are of the view this would only apply to 1 to 2 Irish applications annually. However, as strategic autonomy is of increased concern to the Commission, they believe that this is likely to increase over time and that therefore it is important to have formal procedures in place. It is therefore timely for DETE to consider a formalised role here. The nature of the tasks involved are along the lines of company law and governance, and verification of the company, so a role for DETE would be logical.

Current position and next steps

The Commission has asked each member state to nominate a competent national authority that will be responsible for approving guarantees in restricted calls. As an interim measure, DFHERIS have nominated themselves to be the competent authority but have stated that most of the information that they would need to act in that capacity would come from DETE. The Enterprise Innovation Policy Unit will liaise with DFHERIS as to the requirements of any new structures for Horizon Europe, as well as with relevant areas of the Department. It is intended to bring any new structures to Cabinet in 2023.

Launch the European Digital Innovation Hubs for SMEs

Following successful applications by four consortia, Ireland will soon be part of an EU-wide network of European Digital Innovation Hubs (EDIHs). These Hubs will play a critical role in facilitating the digitalisation of Irish SMEs across industries and regions in new technology areas, providing low and no-cost services such as “test before invest”, innovation and financing advice, as well as training and skills development. Each Irish hub is set to receive annual funding of €1.9 million from both the EU and DETE under the National Recovery and Resilience Facility, with funding administered by Enterprise Ireland.

Current position and next steps

The EDIHs are on schedule to become operational by end Q4 2022, with official launches of the four hubs anticipated in Q1 2023. DETE officials are currently liaising with the Commission and Enterprise Ireland on Irish programme requirements and technical administrative matters. Following the launch of the EDIHs, DETE will work with EI to ensure their ongoing implementation as a programme.

Increase the level of RD&I performed by indigenous enterprise and deliver new programmes through ERDF

The Enterprise Innovation Programme Unit works with EI on the challenge of raising the innovative capacity of indigenous enterprise. Several EI Research, Development and Innovation (RD&I) programmes are focused on increasing the level of **collaborative RD&I** activity between industry and academia. This includes support for industry-academic projects known as Innovation Partnerships, Technology Gateways, support for industry led Technology Centres and supports for networking initiatives. Through these and other programmes, DETE is responsible for administering c.25% of all Irish exchequer spending on R&D.

Budget 2023 saw an increase in the overall capital budget for EI RD&I programmes of €7m to €136m, with an additional €15.6m for three new programmes under the European Regional Development Funds (ERDF) which are:

- Knowledge Transfer (KT) Boost programme
- Technology Gateways Programme
- Needs Led Innovation Programme.

The overall value of EU and national co-funding for the three programmes above is in the region of €117m over the lifetime of the ERDF. The programmes are intended to drive the commercialisation of academic research and to deliver spin out companies from the higher education research system.

Current position and next steps

A Call for applications to the Enterprise Ireland Technology Gateway Programme 2023-2029 from eligible Technological Universities and Institutes of Technology has launched with a closing date of 4th January 2023. Following evaluations, contracts will issue with the new programme commencing later in 2023. Similar Calls for the other two programmes will issue in 2023, each with its own eligibility criteria.

Deliver healthcare innovation through Health Innovation Hub Ireland

The Health Innovation Hub Ireland (HIHI), which is overseen by DETE and the Department of Health, supported by EI and the HSE, drives collaboration between the health service and enterprise. HIHI offers early-stage companies the opportunity for pilot and clinical validation studies, and offers the health service access to innovative products, services and devices. In 2021, HIHI Phase 2 commenced with an ambitious 5-year plan, supported by an additional €5m though Enterprise Ireland. This phase will see HIHI continue their critical support to Irish companies with innovative healthcare solutions, who value and benefit from formalised access to the HSE network and infrastructure.

Manage new and existing calls under the Disruptive Technologies Innovation Fund

The Government established the €500m Disruptive Technologies Innovation Fund (DTIF) in 2018 as one of four National Development Plan (NDP) 2018-2027 Funds under Project Ireland 2040. It is aimed at encouraging collaboration and innovation in the development and deployment of disruptive technologies, on a commercial basis, targeted at tackling national and global challenges. It is managed by the Unit and administered by EI.

Current position

To date, €288 million has been allocated to 86 projects involving collaborative partnerships (comprising of 320 organisations) between industry, especially SMEs, and public research bodies in applying industrial research under the six themes of the national Research Priority Areas, in areas such as health, climate action, food, ICT and manufacturing. SME participation is mandatory for a project to be eligible for funding.

Next steps

DTIF Call 5, which is a themed call on Advanced and Smart Manufacturing, is almost complete with results expected in Q1 of 2023. Work has commenced on preparing a sixth DTIF Call for launch in 2023.

Implement the National Space Strategy for Enterprise

In June 2019, Ireland's first National Space Strategy for Enterprise 2019-2025 was published. The vision of the strategy is for Ireland to develop '*an economically sustainable and expanding space-active industry, delivering quality jobs for the economy of tomorrow*'.

To deliver on the goals set out on in the strategy, DETE is targeting an increase in public and private investment in the European Space Agency (ESA) by 50% (on the 2019 level) by 2025 and we are well on our way to achieving this target. The primary purpose of Ireland's membership of ESA is to facilitate innovative Irish companies to develop leading edge space technologies for commercial exploitation in the global space and non-space markets, leading to increased exports, sales and employment. Ireland opts to participate in ESA programmes which deliver the greatest impact in terms of enabling in-company RD&I, supporting industry to successfully transfer technology between the space and non-space markets. Participation in ESA programmes supports Irish research and industry to create agile and sustainable businesses. At the ESA Ministerial Council Meeting, CM22, in November 2022, Ireland made a commitment of over €125m in funding for ESA for the period 2023 - 2027.

DETE also has horizontal responsibility for space matters at the EU Council. This includes servicing the Working Party on Space and representation at Competitiveness Council Meetings. DETE, supported by EI, lead on the Commission Expert Groups on Copernicus (Earth Observation), Space Surveillance and Tracking, Space Weather, and Security. In April 2021, the European Council and European Parliament adopted a regulation establishing the new €14.8bn EU Space Programme for the years 2021 to 2027, consolidating existing flagship space programmes and establishing two new components in a single EU Space Programme.

Current position and next steps

The second Space Strategy progress report was approved and published on the Department's website in December 2022.

Coordinate delivery of resources to the manufacturing sector through Future Manufacturing Ireland

Future Manufacturing Ireland (FMI) was established in June 2021 as an overarching coordination mechanism to ensure the coherent delivery of resources to the manufacturing sector. There are 275,000 people employed in the Irish manufacturing sector, with 85% of these located outside Dublin. With just 1% of the EU's population, Ireland accounts for 5% of the EU's manufactured goods exports to the rest of the world. Approximately 60% of Ireland's final manufacturing exports are now part of global supply chains, one of the highest such ratios in the world.

The role of FMI is to ensure the coordinated development of research and training support for business in publicly funded research centres, and to ensure that this capability is effectively promoted to firms of all sizes. FMI is ensuring alignment of activities across the system, avoiding unnecessary duplication and fragmentation of effort. We are doing this through the coordination of resources across publicly funded centres with a dedicated focus on Advanced Manufacturing/Industry 4.0, as well as through the support mechanisms from IDA Ireland and Enterprise Ireland. FMI is also promoting engagement between the network of publicly funded advanced manufacturing centres and the enterprise base. FMI will support the drive to uptake and deployment of digital technologies within the manufacturing sector which will ensure its competitiveness and future viability.

Current position and next steps

FMI has established stakeholder groupings with representatives of relevant policy areas in the Department such as skills and innovation, EI and IDA Ireland, SFI, Advanced Manufacturing Centre Directors, as well as DFHERIS agencies Solas and Education and Training Boards providing skills, training and workforce development resources. FMI is also engaging externally with bodies including Ibec, ISME, the Irish Research and Development Group (IRDG) and American Chamber of Commerce These groupings will provide strategic coordination and alignment of resources which serve the manufacturing sector. In 2023 the key focus for FMI will be to drive the uptake of advisory, funding and training programmes to accelerate digital transformation and the transition to sustainable manufacturing.

Launch of the National Digital Manufacturing Centre, Limerick

The National Digital Manufacturing Centre (NDMC) is a National Strategic Initiative aligned with Government's Industry 4.0 Strategy, the Climate Action Plan DETE's Statement of Strategy, , Future Manufacturing Ireland's draft alignment plan, the recently launched Impact 2030 Strategy and IDA's Strategy. The manufacturing sector is of strategic national importance to Ireland, accounting for €100 bn in exports

Current position

DETE has provided funding to IDA of €10.6m for 2021 and 2022 for the NDMC to help Irish manufacturing accelerate the adoption of digital technologies across their value chains, workforces and manufacturing operations in a sustainable manner. IDA funding totalling €24.425m is required for the period 2023-2026. As a strategic initiative for IDA and Government, it will be one of IDA's top priorities from a funding perspective. This funding will be met within DETE's capital ceilings as set out in the NDP.

Next steps

The funding for NDMC was agreed by Government in October 2022. It is proposed to have an official Ministerial launch of NDMC at the earliest opportunity in 2023.

Promote construction sector innovation under Housing for All

As part of the whole of Government Housing for All plan, the Construction Innovation Unit is working to promote construction sector innovation and increases in productivity, including through the adoption of Modern Methods of Construction (MMC), to help deliver high-quality, environmentally sustainable, and more-affordable housing. Examples of key initiatives the Unit is championing are:

- a new €5m Construction Technology Centre (CTC) hosted by University of Galway with UCC, UCD, TCD and Irish Green Building Council;
- extension of EI innovation and productivity supports to the domestic residential cohort of companies under the 'Built to Innovate' campaign; and
- expansion of NSAI agrément certification for innovative and off-site residential construction systems.

DETE is represented at Secretary General level on the Housing for All Delivery Group and on the Industry Capability Working sub-Group.

Current position

To help accelerate deployment of MMC in residential construction, DETE has established a cross-Departmental and cross Agency Modern Methods of Construction Leadership and Integration Group,. The Group is working on actions to accelerate innovation in residential construction, and to ensure an integrated approach across various initiatives and entities with a role in promoting MMC. The Group has developed several actions relating to MMC included in the updated HfA Plan in 2022.

The Unit is leading on two priority actions. The first relates to advancing the CTC's research work programme. The second is working with DHLGH to develop a roadmap for MMC adoption in publicly procured residential construction. DETE is leading on a further five actions, while IDA Ireland, Enterprise Ireland, and NSAI are contributing to further actions, including to build industry capacity and skills.

Next steps

The Unit will continue to oversee delivery of the actions in '*Housing for All'* attributed to the Department, reporting to the HfA Delivery Group and relevant sub-groups, and contributing to the quarterly HfA progress reports. The Unit's MMC Leadership and Integration Group will continue to drive an accelerated adoption of MMC through the actions identified and included in the HfA update and will work to identify further actions to promote the adoption of MMC in the construction sector.

Progress Intellectual Property Policy and legislation

The Department has overall responsibility for Intellectual Property (IP) Policy in Ireland and liaises directly with the EU and with the World Intellectual Property Organisation (WIPO) on the range of relevant policy issues. 45 % of the total economic activity (GDP) in the EU (65% in Ireland) is attributable to IP-intensive industries, worth EUR 6.6 trillion.

Currently, individuals with an invention or idea, researchers in academia, SMEs and other businesses can apply for an Irish national patent with the Irish Intellectual Property Office (IPOI), which provides protection in Ireland. The IPOI operates as an office under the aegis of the Department, and Intellectual Property Unit has oversight and liaison responsibility for the Office. The IPOI is due to publish its new Statement of Strategy for 2023-2025 and its Customer Service Strategy shortly.

Current issues of note in IP policy and legislation include:

- **Regulation on geographical indication (GI) protection for craft and industrial products**. GIs establish intellectual property rights for products whose qualities, reputation or other characteristics are specifically linked to geographical origin, for example, Donegal Tweed. The EC has published a proposal for a Regulation on GI protection for craft and industrial products. A general approach was agreed by EU member states at the Competitiveness Council on 1 December 2022 and this text will now proceed to EU Trialogue negotiations.
- **Revision of the EU Industrial Design Acquis**. On 28 November 2022, the EC published a reform package on industrial design protection, consisting of a Directive and a Regulation amending existing EU legislation on industrial designs. The reform package aims to modernise existing EU design legislation, provide for greater harmonisation of member states laws and procedures, and to streamline the EU unitary design right making it more accessible and efficient for business. Negotiations are expected to commence in the Council Working Party on Intellectual Property in Q1 of 2023.
- **Extension of the WTO COVID-19 TRIPS Waiver.** At the WTO Ministerial Conference in June 2022, Ministers agreed on clarifications and a waiver of certain existing obligations of the TRIPS Agreement to allow eligible WTO Members to authorise a company to manufacture and export COVID-19 vaccines in a fast and simplified manner without the consent of the patent owner. At the time of the adoption of the Decision, there was no consensus among the Members to cover also COVID-19 diagnostics and therapeutics. As a compromise, paragraph 8 of the Decision stipulates that no later than six months from the date of that Decision (17 December 2022), Members will decide on whether to extend the Decision to cover the production and supply of COVID-19 diagnostics and therapeutics. Discussions on the extension of the Ministerial Decision are ongoing in the WTO, and Ireland is continuing to engage with the European Commission and other member states on the EU position.

Legal action involving Copyright Collective Management Organisations and the State

The State is a named Defendant in a case where a collective management organisation (CMO) took proceedings in a commercial dispute against another CMO. The essence of the case concerned the sharing of royalties between music performers and producers. The proper interpretation and transposition into national law of the 2006 European Directive on rental and lending rights in copyright (2006/115/EC) was also a key factor for consideration in this case.

In January 2019, 4 questions were referred from the Commercial Court to the Court of Justice of the European Union (CJEU). In its judgement, delivered in September 2020, the CJEU found against Ireland in relation to the incorrect transposition of the Directive, specifically in relation to the sharing of royalties between producers and music performers. The matter then returned to the High Court which subsequently delivered a judgement in February 2021, reflecting the CJEU's findings.

Current position and next steps

The Unit analysed the judgements of both the CJEU and the High Court in detail to determine the most appropriate way to address their findings. This involves legislative changes to copyright legislation, which the Unit is currently considering.

Referendum on the Unitary Patent and Unified Patent Court

Currently, there is no single European patent valid in all EU member states. Instead, individual patents must be held in each country where the patent is to be used. The EU's new Unitary Patent will provide a singular application designed with uniform protection in all participating Member states through a single filing and a single renewal fee. It will also have a centralised Patent Court where inventors can enforce their patent rights in participating member states with one legal case – the Unified Patent Court (UPC).

The UPC is an international court that will, when operational, have exclusive competence for actions for infringement and validity in respect of European patents. For Ireland to ratify the Agreement on the Unified Patent Court (UPCA), a successful Constitutional referendum will be required. It is expected that the UPC will start operations on 1 April 2023.

A Government decision of July 2014 provided for the establishment of a Local Division in Ireland, subject to the successful passing of a constitutional referendum. A Local Division hosted in Ireland would provide Irish businesses with the facility to litigate on Irish soil and create a wider pool of national skills and competences in Intellectual Property including, for example, legal services, and patent agencies.

Current position and next steps

In June 2022, Government reaffirmed Ireland's commitment to participating in the Unitary Patent and the UPC, and to hold the necessary constitutional referendum to enable Ireland to do so. Although the timing for this referendum is a matter for Government to decide, it is anticipated that the referendum will be in 2023 or early 2024. This referendum will be held in tandem with either another referendum or other elections to facilitate voter turnout and to reduce costs to the taxpayer.

Development of the EU Standardisation Strategy with the National Standards Authority of Ireland (NSAI)

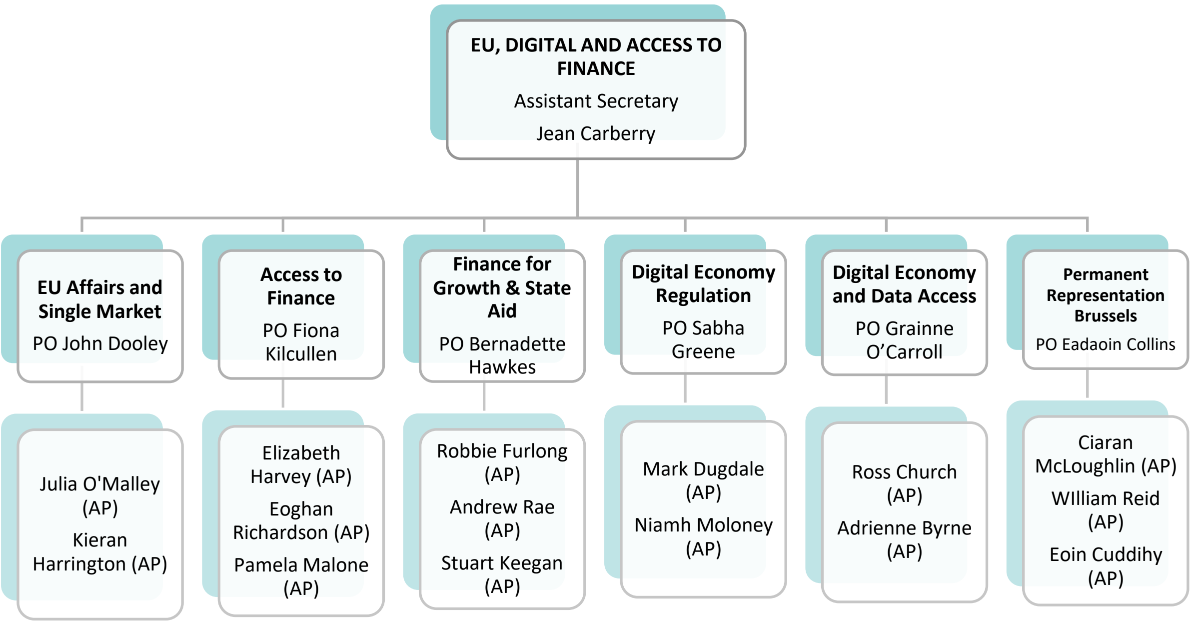
The NSAI Liaison Unit has formal corporate oversight and liaison responsibility for the NSAI and works with the Authority to help drive competitiveness of Irish SMEs through its services, including the delivery of key Government priorities.

In February 2022, the EU launched its new Standardisation Strategy. The Strategy will seek to elevate the role and positioning of standards from what may previously have been regarded as a technical and niche area, to a significant element having importance across a range of strategic EU policy fields – including the Single Market, Trade, the Green and Digital agendas - and the EU's global competitiveness, and geopolitics.

Current position

A High-Level Forum has been convened to drive the work of the Strategy, the first meeting of which will take place in January 2023.

3.3 EU, Digital and Access to Finance Division



ROLE OF THE EU, DIGITAL AND ACCESS TO FINANCE DIVISION

The EU Affairs, Digital and Access to Finance Division plays an important role in ensuring the framework conditions are in place for a sustained and strong recovery by the enterprise sector. The Division coordinates Ireland's position at the Competitiveness Council, leads on policy for the Single Market in services, and advances the department's EU agenda across government and at EU level. The Division leads on negotiation and implementation of EU Digital regulations including the Digital Services Act, the Digital Markets Act, the Artificial Intelligence Act and the Data Act. It also leads on national polices for artificial intelligence, enterprise adoption of digital technologies, State aid, access to finance for SMEs and finance for growth policy.

THE KEY PRIORITES FOR THE EU, DIGITAL AND ACCESS TO FINANCE DIVISION INCLUDE:

Access to Finance for SMEs and Microenterprises

SMEs and microenterprises can experience difficulties in accessing market credit. This is a problem across the EU, but is particularly acute in Ireland. Microenterprises - in particular start-ups - often lack credit history and cannot access any market credit. Even for SMEs with a credit history, it is very difficult to access unsecured loans – a significant barrier for many businesses, as interest rates are significantly higher than in other EU markets. Furthermore, at times of economic disruption the lending market becomes more risk adverse, making accessing credit more difficult for SMEs. The Access to Finance Unit develops and manages schemes to help SMEs and micros to access loans at affordable rates and favourable terms and conditions.

Priorities for 2023 include:

Growth and Sustainability Loan Scheme

The 'Growth and Sustainability Loan Scheme' (GSLS) is a new long-term loan guarantee scheme jointly developed by DETE and the Department of Agriculture Food and the Marine (DAFM) and will be underpinned by resources from the European Investment Bank Group (EIBG) and delivered by the Strategic Banking Corporation of Ireland (SBCI).

The GSLS will make up to €500 million in longer-term lending available to SMEs, including farmers and fishers and small mid-caps, at a maximum cost to the exchequer of €115 million. Loans of between €25k and €3 million, with terms of up to 10 years will be made available through the scheme to eligible SMEs through participating finance providers, with loans of up to €500k available unsecured.

The GSLS will target a minimum of 30% of the lending volume towards environmental sustainability purposes with the aim of encouraging SMEs to take positive actions in support of the climate change agenda. **It is a key priority to launch the GSLS in the market in the first half of 2023.**

Ukraine Credit Guarantee Scheme

The €1.2 billion Ukraine Credit Guarantee Scheme will provide low-cost working capital for medium-term investment, especially in energy saving measures, to SMEs, primary producers and small mid-caps (businesses with fewer than 500 employees). Loans of up to 6 years will be available, from €10,000 to €1 million, with no collateral required for loans up to €250,000. The scheme will be operated by the SBCI and loans will be provided by finance providers from the private sector including banks, non-banks and credit unions. The Scheme will be launched in December 2022 and will run until 31 December 2024.

Microfinance Ireland

Microfinance Ireland (MFI) was established in 2012 to provide loans to microenterprises with fewer than 10 employees and with an annual turnover of less than €2 million, which do not meet the conventional risk criteria applied by commercial lenders. MFI also provides post approval mentoring services to its borrowers through the Local Enterprise Office Network.

MFI is fully funded by DETE and benefits from a guarantee from the European Investment Fund (EIF). MFI was established with a sunset clause, so that it could be easily discontinued if it was not a success. However, it has been very successful, and an independent Review of the Microenterprise Loan Fund of December 2019 concluded that MFI fulfils a unique role for microenterprises unable to secure finance via other sources, and acts as an effective countercyclical intervention in the market. Work has been underway to put permanent arrangements in place to underpin the future of MFI, and in 2023 legislation will be progressed to provide for ownership of MFI to transfer to the Minister for ETE and to put in place the related governance structures.

Finance for Growth

Innovative businesses need risk capital (i.e. equity) to fund their growth. The private equity investment market has grown significantly over the last decade, but there are sections of the market that are still in need of intervention, primarily seed/start-up and scale-up. The State, through Enterprise Ireland and the Ireland Strategic Investment Fund, is a significant player at every stage of the investment cycle (in particular at the seed/start-up stage via the Seed and Venture Capital scheme and the Innovation Seed Fund). The Finance for Growth and State Aid Unit is responsible for the policy underpinning State intervention in this area.

Priorities for 2023 include:

Evaluation of State Supports for Equity Investments in Ireland

The current €185 million multi-annual Seed and Venture Capital Scheme expires in 2024. The Unit has commissioned an external review of State equity finance programmes and initiatives, including the SVC programme, to inform future policy in this area. The review will include econometric analysis, identify market failures, benchmark the Irish approach against comparable countries and assess the effectiveness of the current approach versus alternatives. The analysis will be used to guide potential future interventions or programmes. A steering group of relevant actors in this field has been appointed to direct, support and guide the consultancy firm in their work by providing their expertise, experience and knowledge of the Irish equity ecosystem. The outcome of the review will inform the design of future programmes and will feed into future Budget negotiations.

Finance for Scaling Group

In 2022 the Unit established a Working Group of key State stakeholders from Enterprise Ireland, ISIF, SBCI, EIF and the Dept. Finance to examine the issue of finance for scaling (a scale up is a business that has a business model with potential for exceptional global growth). In H1 2023 DETE will bring a report to Government recommending future policies aimed at increasing scale-up activity in the Irish equity ecosystem by improving access to appropriate finance.

€90 million Irish Innovation Seed Fund Programme

The Irish Innovation Seed Fund Programme is a €90 million fund-of-funds, made up of a €30m investment from DETE, through Enterprise Ireland, which is matched by a €30m investment from the EIF, and a €30m co-investment from ISIF. As a fund-of-funds, the programme will invest in other specialist fund managers who will target high growth innovative companies based on disruptive intellectual property, who are at the early stages of external funding for innovative, high growth, scalable sectors. Due diligence is at a final stage on proposals from fund managers, and we expect an announcement in Q1 which will fully allocate the €90 million, and crowd in significant private investment.

Business Financial Advisory Hub

The SME & Entrepreneurship Implementation Group and the SME & State Bodies Group have repeatedly identified the lack of financial literacy among Irish microenterprises and SMEs as a barrier to growth and expansion. The Department has received funding from the banks (through the BPFI) to establish a "One Stop Shop" financial hub for Micros/SMEs in Ireland. In Q1 2023, the Unit will establish a Working Group of key stakeholders that will be tasked with the design, implementation and operation of this Hub.

Export Credit

Ireland is the only significant economy in the world that operates without a State-backed Export Credit Agency. (Cyprus and Malta are the only other EU countries without an Export Credit Agency.) The Unit has commissioned a comprehensive review of the Irish export credit insurance market, to establish if there is a market failure that is negatively impacting Irish businesses, and to investigate the possibility of developing an Export Credit Agency or an export credit support scheme. This will feed into the development of a policy position on export credit in 2023.

Development of State Aid Policy

The EU State Aid Framework is the EU's internal subsidy control system. The Department's State Aid Unit represents Ireland in development of EU State Aid policy and coordinates national policy on State Aid – including provision of advice and training across Government.

Priorities for 2023 include:

State Aid Modernisation Programme

The State Aid Modernisation (SAM) Programme is an EU wide revision of the State Aid rulebook. It is the best opportunity Ireland has to shape the rules towards a more optimal situation for Irish businesses. The General Block Exemption Regulation (GBER) is the most important part of the State Aid Framework, covering 97% of all State Aid granted. Revision of this regulation began in 2022 and will continue into 2023. 2023 will also see revisions of the De Minimis Regulation, the Rescue and Restructuring Aid Guidelines and the Guarantee Notice. Each of these is of strategic importance for Ireland and DETE. The State Aid Unit will engage fully on each revision.

The Temporary Crisis Framework

The EU Commission recognises the economic challenges in all member states due to the Ukraine crisis and the urgent need to provide liquidity support for businesses as well as assistance with energy costs for vulnerable sectors. The Commission introduced the State aid Temporary Crisis Framework (TCF) in March 2022. The TCF was amended in July and October as the crisis progressed. DETE State Aid Unit will work with EU Commission to ensure that the TCF remains fit for purpose and beneficial to Ireland. The team will also continue to work with other Departments and agencies in developing and notifying TCF schemes as required to support the economy.

Development of Digital Economy and Data Access Policy

Ireland has set out its ambition to be a digital leader at the heart of European and global digital developments in "Harnessing Digital - the Digital Ireland Framework", launched in February 2022. A progress report on the strategy was agreed by Government and published in December 2022. The Digital Economy and Data Access Unit, in partnership with colleagues in Department of the Taoiseach, drives implementation of Harnessing Digital across Government and is directly responsible for implementation of the Enterprise dimension of the Strategy. The Unit also leads for Ireland on negotiation of relevant EU digital files.

Priorities for 2023 include:

Digital Transition Fund

In June 2022, the Department launched the pilot scheme of the €85m Digital Transition Fund (DTF), funded through Ireland's NRRP and dispersed by the enterprise agencies, to ***facilitate increased digitalisation and improved productivity*** across all enterprises. the Unit is planning for further expenditure of €16m under the DTF in 2023, the design and functionality of a new Digital Portal for businesses and preparation of a communications campaign to encourage all businesses in Ireland to begin or continue their digital transformation.

Enterprise Digital Advisory Forum (EDAF):

DETE coordinates the work of and provides secretariat to the EDAF, which is chaired by the Minister for Trade Promotion, Digital and Company Regulation. The EDAF was established to allow Government to hear the views and perspectives of enterprise and experts on facilitating the adoption of digital technologies among industry, including AI. It supports the implementation of the enterprise aspects of the NDS and provides an important setting for enterprise to be able to provide feedback to Government on various challenges and opportunities they identify in relation to digitalisation. The EDAF is expected to meet 4 times in 2023, with the first meeting (to be scheduled for February) to consider the 2023 work programme and digital readiness indexes.

Data Centres:

The Department published a revised Policy Statement on Data Centres in July 2022, which is designed to ensure that the decarbonisation and digitalisation of Ireland's economy and society are complementary and in harmony with environmental policy. With between 70 and 80 data centres with a huge variety in size, energy use and ownership in Ireland, data centre operations are key aspects of infrastructure which are at the very centre of the digital transition. DETE will continue to advocate for a balanced and evidence-based approach to data centres.

National AI Strategy, AI – Here for Good:

The National AI Strategy was published in July 2021 and the Unit is responsible for overall coordination of the strategy and implementation of a number of specific actions. Dr Patricia Scanlon was appointed to the voluntary role of Ireland's National AI Ambassador in May 2022. The Unit will bring an implementation report on the National AI Strategy for the Cabinet Committee on Economic Recovery and Investment in early 2023.

Trustworthy AI Principles and Guidelines:

As part of building trust in AI, the Unit established a Working Group in October 2022 of relevant Departments, academics and the AI Ambassador to develop and promulgate principles for trustworthy AI which will apply to all AI, developed for and used by the public service in the first instance, and subsequently by businesses and developers. The Group will continue its work into 2023 with the aim of developing a Charter for Government on trustworthy AI, and a circular on principles and procedures for the development and use of AI in the public service.

EU Artificial Intelligence Act:

This is a proposed Regulation laying down harmonised rules on Artificial Intelligence. The purpose of the legal proposal is to **improve trust** in AI by adopting a uniform, horizontal legal framework for the placement and use of AI in the Single Market that respects Union values, in particular, fundamental rights and safety considerations. This enhanced trust will **promote the uptake of, and innovation in, AI across the EU.** A general approach was approved by Council on 6th December 2022, and it is expected that Trilogues (Council, Commission and European Parliament) will commence in early 2023 with a view this regulation being adopted by the end of 2023/early 2024.

EU Artificial Intelligence Liability Directive (AILD):

The proposed directive aims to ensure that persons claiming compensation for damage caused to them by an AI system enjoy the same level of protection as persons claiming for damaged caused without the involvement of an AI system. Negotiations on this directive began in Q4 2022 and it is expected that the directive will be adopted in mid to late 2023. It will be transposed into Irish law thereafter.

EU Data Act:

This is a proposed Regulation which was published in February 2022 as a key pillar of the EU's Data Strategy and is its second component alongside the EU Data Governance Act (DGA), which was previously agreed at the end of 2021 and is being implemented in IE by D/ECC. Together, the DGA and Data Act initiatives are intended to ***unlock the economic and societal potential of data and technologies***. The Data Act aims to create a coordinated approach to using data across sectors and clarifies who can create value from data and under which conditions. It is likely that EU Council will adopt a general approach in Q1 2023 and then move into Trilogues (Council, Commission and European Parliament) shortly after with a view to this Regulation being adopted in mid to late 2023. There will be some national regulatory implementation required once the Regulation is adopted.

Implementation of the Digital Services Act

The Digital Services Act (DSA) is an EU Regulation that imposes obligations on providers of online intermediary services such as social media platforms, online marketplaces and search engines. It came into force in EU law on 16 November 2022 and will start to apply in the member states over the course of 2023 and 2024.

The DSA is considered a landmark piece of legislation around the world, and **its success will rely to a significant extent on Ireland's ability to play its part in implementation and enforcement**. This is because most of the 'very large online platforms' (VLOPs) and 'very large online search engines' (VLOSEs) (i.e. services with more than 45 million active users in the EU) have their EU headquarters here and the DSA is based on the country-of-origin principle. So, the Irish competent authority, known as the Digital Services Coordinator (DSC), will have a preeminent role alongside the European Commission, which also has a role in implementation and enforcement, and will attract a lot of attention from across Europe.

The very tight timelines for implementation mean that a number of workstreams need to be progressed in parallel so that the DSC will be appropriately prepared to begin planning its implementation and enforcement role when that DSA takes force. It is of strategic importance to meet the required deadlines so that the DSA gets off to the best start and Ireland's reputation is enhanced. Accordingly, a dedicated Unit has been established in the Division to lead the preparations for the DSC.

Priorities for 2023 include:

- Recruit staff, including a Commissioner for Digital Services, to the Media Commission to have responsibility for the conduct of the DSC functions, so that it is operational by July 2023. Public Appointments Service will lead.
- Prepare primary legislation to designate and empower the Media Commission as the DSC. The Department will submit Heads of a Bill designating and empowering the Media Commission, including request for priority drafting, to Government in January 2023.
- Develop a communications plan to apprise providers of intermediary online services of the new rules, particularly SMEs that may not be familiar. This campaign will need to begin soon as there is one obligation in the DSA that has a deadline of 16 February 2023.
- Begin work on the design of a levy structure, so that the DSC is self-financing after the initial set up is complete.

Co-ordinate and develop Ireland's position and engagement with the EU Institutions on EU policy matters under the remit of the Competitiveness Council

The EU Affairs and Single Market Unit and the Competitiveness Council Team in the Permanent Representation Brussels define, co-ordinate and develop Ireland's position and engagement with the EU Institutions on EU policy matters under the remit of the Competitiveness Council (Internal Market and Industry).

The next formal meetings of the Competitiveness Council will take place on 2 March and on 22 May in Brussels. An Informal Ministerial meeting has been scheduled for 6-7 February in Stockholm.

Priorities for 2023 include:

Maintaining and optimising Ireland's engagement and influence at the EU Competitiveness Council – especially on Single Market and industry issues.

The focus of the Competitiveness Council is on enhancing and sustaining competitiveness, growth and productivity and industry in the EU. The Council strives to ensure a coherent and co-ordinated approach to all policies impacting on these areas. The Council covers a number of policy and legislative areas including SME's, industrial policy, Single Market, company law, better regulation, competition and consumer policy.

Over the last 2 to 3 years, the Department has detected a growing support across the EU for what could be regarded as more protectionist policies, which could have a negative impact on Ireland's interests, especially with respect to industrial, single market and competition policy. This trend, coupled with the departure of the UK, who were a key likeminded ally supporting an open trading policy and the efficiency of the Single Market, will be a challenge for us to address. A priority for the Unit is to enhance and broaden our alliances with other member states and within EU institutions with a view to maintaining influence and mitigate for the loss of the UK as a likeminded ally within EU negotiations.

Driving implementation of the Services Directive and managing the Department's response to an infringement case.

The Services Directive is the main EU instrument within the sphere of DETE, dealing with integration of the Single Market in Services. DETE monitors and encourages implementation of the requirements of the Directive across all government departments, with a view to encouraging full Irish compliance.
In order to increase transparency for EU service providers wishing to provide services in another member states, the Directive requires each member state to publish information about restrictions they place on the freedom to provide the services covered by the Directive and to outline how necessary permissions to access their market can be obtained. Each member state publishes this information on a Point of Single Contact web-portal.

In 2019, the European Commission, following a review of the Points of Single Contact of all member states, issued letters of formal notice of infringement to all member states in which they outlined areas where the web-portal fell short of requirements. The issues identified for Ireland covered both the Services Directive and the Professional Qualifications Directive (dealing with mutual recognition of specific qualifications across the EU). Ireland is addressing the issues identified to ensure it meets the requirements of both Directives and thus avoid the potential of facing a full infringement action.

Formulating Ireland's position on the Single Market Emergency Instrument and leading Ireland's engagement at negotiations on the instrument.

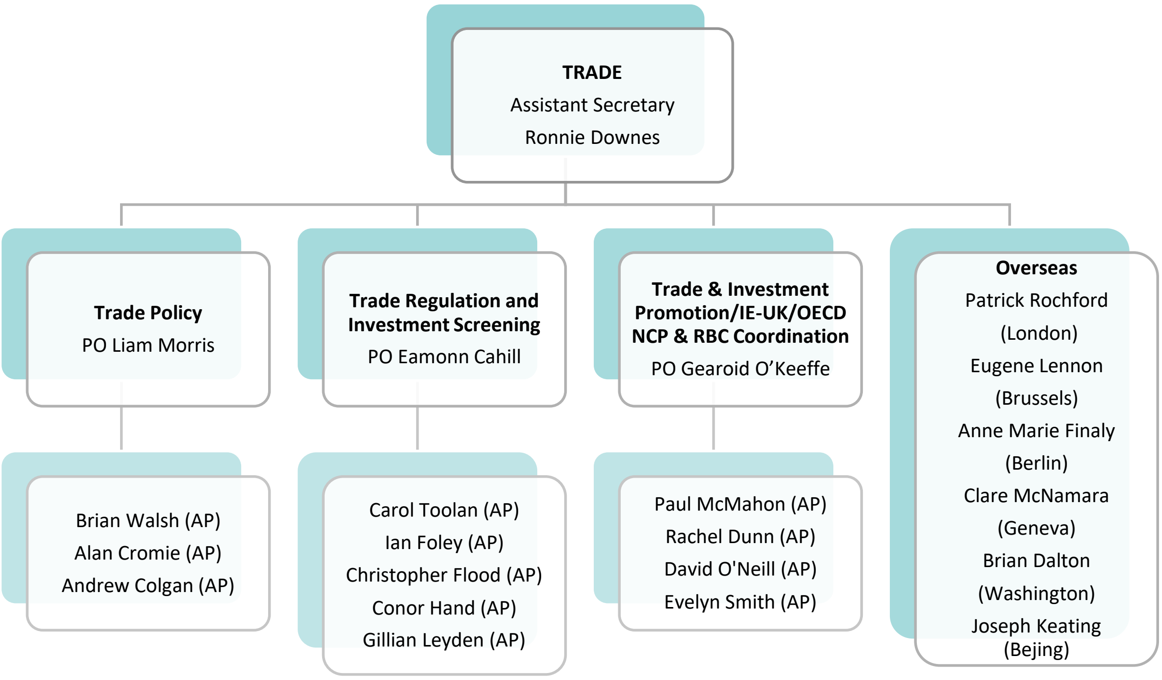
The Single Market Emergency Instrument (SMEI) proposal was published by the European Commission in September 2022. Its aim is to better prepare the Single Market for future crises. Ireland has concerns that the instrument may have moved beyond its original main intention of protecting freedom of movement and ensuring the proper functioning of the Single Market during times of crisis. The Unit is working with likeminded member states to seek to influence the final shape of the instrument (likely to be finalised in H1 2023).

Assess the planned Commission Communication due in Q1 2023 marking the 30th anniversary of the Single Market

The Single Market is one of the greatest achievements of the EU and it has brought very significant benefits to Ireland in the 27 years since its establishment in 1993. From a national perspective and from the starting point of a small domestic market, the advantages of the greatest access to a physically proximate market of approximately 450 million people are obvious, particularly for Irish exporters. The ease of access to the EU market also contributes significantly to the attractiveness of Ireland as an FDI location. In addition, from an EU perspective, Ireland is convinced that a properly functioning Single Market is essential for Europe's competitiveness on the global stage, and to facilitate Europe performing optimally at the highest point of global value chains. Ease of access to cross-border trading opportunities within the EU is especially valuable to Irish, and European, SMEs looking to scale up, and as a steppingstone to expanding to further international markets.

While significant progress has been made in the Single Market, there remains untapped potential, particularly in the Single Market in Services where regulatory barriers continue to hinder achievement of a fully integrated EU market for services. Addressing this on the 30th anniversary of the single market is a key priority for Ireland given the importance of our internationally trading services sector.

3.4 Trade Division



ROLE OF THE TRADE DIVISION:

The Trade Division is responsible for the development of Ireland's international trade policies, including at European Union trade policy negotiations and through active participation in the World Trade Organisation. The Division is also responsible for the administration and enforcement of EU export controls and EU trade sanctions, in support of global security and human rights. It is also the lead Division for DETE staff located in six overseas missions and embassies.

THE KEY PRIORITES FOR TRADE DIVISION INCLUDE:

Implement the Government's Trade & Investment Strategy and coordinate ministerial-led trade missions

The Trade and Investment Promotion Unit is responsible for the implementation of the Government's ***Trade & Investment Strategy 2022-2026: Value for Ireland, Values for the World.*** Implementation of the Strategy is overseen by the Trade & Investment Council which is chaired by the Minister for Enterprise, Trade & Employment and which is supported by a cross-governmental Senior Officials Group chaired by DETE. Current issues include:

- rollout of the recommendations of the recently completed review of worldwide Local Market Teams;
- planning for the inaugural Team Ireland Trade Mission Week in the second half of 2023;
- identification and monitoring of economic 'ecosystem' issues that impact on Ireland's trade and investment performance;
- mapping global value chain and supply chain opportunities and threats;
- developing a communications strategy to promote public understanding of the role of trade and investment, building on the results of a recently completed opinion & attitudes survey; and
- hosting a high-level conference on Ireland's position as a trading nation, including the benefits of EU free trade agreements, for Q2 2023.

An early priority is reaching agreement with the Department of the Taoiseach on the destination and timing for Team Ireland Trade Mission Week 2023. It was agreed at the Trade and Investment Council that this decision will be taken in January 2023.

In addition to development of the new Trade Mission Week, the annual programme of ministerial-led trade missions is a significant undertaking that is coordinated by the Unit, in collaboration with Enterprise Ireland and IDA Ireland. These trade missions represent an important way of helping exporters win business in priority overseas markets and of supporting and maintaining inward investment. The Unit coordinates the extensive briefing required for each trade mission.

An early priority will be finalising agreement on this programme, with the first trade mission of 2023 – Arab Health in Dubai – proposed for the end of January.

The Unit is also responsible for producing the annual *Trade and Investment Report* which reviews the contribution of international trade to the Irish economy and the role played by DETE, together with Enterprise Ireland and IDA Ireland in increasing exports, supporting trade and attracting inward investment.

Progression of the Screening of Third Country Transactions Bill 2022

Investment Screening is a procedure allowing a State to assess, investigate, authorise, condition, or prohibit foreign direct investments based on a range of security and public order criteria.

EU Regulation 2019/452 establishing a framework for the screening of foreign direct investments into the Union came into effect in October 2020 and creates a cooperation mechanism through which member states and the Commission can exchange information and raise specific security concerns about third country investments.

The Regulation was a response to growing concerns amongst member states regarding the purchase of, and investment in, strategic European companies and assets by foreign-owned firms (and in certain cases, state-owned firms) that may undermine a member state’s security or public order.

The "Screening of Third Country Transactions Bill 2022" was published in August 2022. When enacted, it will allow Ireland to screen investments from non-EEA countries for the first time. The Bill will also ensure that Ireland can, to the extent possible, fulfil its’ obligations as set out in Regulation (EU) 2019/452.

As well as equipping the Irish State with the means to protect itself against threats arising from third country investments, the implementation of a screening mechanism will also provide reassurance to key trading partners that Ireland is a responsible global player, cognisant of the threat posed by the strategic and potentially hostile State-backed investment strategies being deployed by some third-country corporations.

Current Position

Dáil Second Stage was successfully completed on 21 September 2022 by Minister Calleary. Minor Government amendments, approved by Minister Calleary, are being finalised in conjunction with the OPC.

Next Steps

Officials are liaising with Minister Calleary’s Office and the Clerk of the Joint Oireachtas Committee on Enterprise to schedule Committee Stage, now likely to take place in January 2023.

Regulation of Trade and Export Controls

DETE has responsibility (policy, administration and enforcement) as National Competent Authority for EU Trade Sanctions and EU Exports Controls in respect of: 'Dual-use' Items[2]; Military Equipment; Firearms; and items that could be used for Torture. The Authorised Officers in the Compliance and Enforcement team are responsible for monitoring compliance and investigating potential breaches of Export Controls or EU sanctions, as well as promoting compliance through outreach programmes for exporters and other stakeholders.

EU Sanctions

The EU currently has 45 sanctions regimes in force. The legal basis for EU sanctions is provided by EU Regulations, however, member states are required to establish penalties under national law for breaches of the Regulations. DETE has two functions in respect of Sanctions:

1. Every time an EU Sanctions Regulation is amended, which occurs 2-3 times per month, a Statutory Instrument must be enacted to fully transpose the amendment into Irish law. This responsibility is shared between the Minister for ETE and Minister for Finance. The Trade Regulation and Investment Screening Unit drafts SIs on behalf of the Minister for ETE.
2. The Department is one of three National Competent Authorities for EU sanctions[3]. The Unit is responsible for enforcing the trade elements of these sanctions and works closely with Office of the Revenue Commissioners (Customs) in this regard.

Trade Sanctions Targeting Russia and Belarus

The EU has adopted eight packages of sanctions in response to Russia's war of aggression against Ukraine since 23 February 2022, and a ninth package is likely to be adopted before the end of the year. The trade elements of the packages are unprecedented in their breadth and sophistication and apply prohibitions to the export / import of many goods and services to / from Russia and Belarus.

The Unit has been at the forefront of national implementation of the sanctions, particularly the trade elements, and works closely with other National Competent Authorities, and members of the Cross-Department International Sanctions Committee (CDISC). The sanctions regulations set out specific grounds on which operators may apply to a Competent Authority for a derogation from the restrictions. The Unit has authorised derogations to facilitate the import of animal feed from Russia at the request of the D/AFM.

Review of National Implementation of Sanctions

The Unit is participating in a review of the legal and structural effectiveness of Ireland's implementation of sanctions, under the auspices of CDISC. This review was initiated by a joint Memo for Government from the Ministers for ETE, Finance and Foreign Affairs in 2021. [redacted]

Export Controls

EU Export Controls form part of a global framework designed to prevent the proliferation of weapons of mass destruction, support regional stability and to protect human rights. The principal categories of goods subject to EU Export Controls are:

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[2] Goods and technology, including software, which have both a civilian and military application. Many standard business ICT systems are classified as 'Dual-use' as they incorporate strong encryption for data protection. These account for the vast bulk of controlled exports from Ireland.

[3] The other National Competent Authorities are the Dept. of Foreign Affairs and the Central Bank of Ireland.

1. "Dual-use" items as specified in the EU "Dual-use" Regulation[4]; and
2. "Military" equipment, as specified in the Common Military List of the EU[5].

A licence is required for the export of these goods. All applications for export licences are subject to rigorous scrutiny by the Unit and assessed against the criteria set out in EU legislation. The Unit issued Dual-use and Military export licenses with a total value of €2,076 million and €167 million, respectively, in 2021.

Progression of the Control of Exports Bill 2022

The Department operates an efficient and rigorous export control regime to mitigate the risk that controlled items (principally 'dual-use' and 'military' items) could be exported from Ireland and used to cause injury in regional conflicts or violate human rights in third countries.

The Control of Exports Act 2008 is the primary national legislation underpinning Export Controls and complementing EU Regulations. The Control of Exports Bill 2022 is designed to update this legislation, and to consolidate and strengthen the current regulatory framework. The new legislation will ensure that Ireland has a comprehensive and robust framework for regulating the export of controlled goods in line with national and EU policies.

Current Position

The Bill was placed on the Priority List for publication Autumn 2022 due to the elapsed time since Government approved the drafting of the Bill (August 2020) and the greatly increased political and media focus on Export Controls in the context of EU sanctions in response to the Ukraine crisis in 2022.

All major legal issues have been resolved with the AG and the most recent draft received from the OPC, on 28 November, is well advanced. Outstanding issues are primarily clarifications and technical drafting adjustments.

Next Steps

The Dept expects to have a Memo for Government seeking approval to publish the Bill in January 2023.

Enhancing DETE's global presence and influence

A further priority is working closely with the DETE Trade, Investment & Innovation Counsellors and Attachés to pursue Irish bilateral interests and better understand key markets in London, Washington DC, Berlin and Beijing, while also influencing policy via the multilateral bodies in Brussels and Geneva. Alongside our agencies, the DFA and other 'Team Ireland' partners overseas, these colleagues are an essential resource for Trade Division and also for the Department as a whole in advancing our bilateral trade and economic relationships. The importance of these direct bilateral relationships is heightened, in a context of growing geopolitical rivalry and trade tensions, where it is important that Ireland's distinctive voice and perspective is heard.

Trade with the UK

The UK is Ireland's second largest single trading partner (after the US). Ireland/UK annual trade is worth over €100 billion or the equivalent of €1.9 bn per week.

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[4] Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items.

[5] Common Military List of the European Union adopted by the Council on 21 February 2022 (equipment covered by Council Common Position 2008/944/CFSP defining common rules governing the control of exports of military technology and equipment).

Ireland has generally had a goods trade deficit with the UK (i.e. we import more goods from the UK than we export to the UK). In 2016 the deficit was €2 billion but it had increased to €5.4 billion in 2020. The deficit fell to €1.3 billion in 2021 – this was due to both a fall in goods imports as a result of Great Britain leaving the customs union in January 2021 and an increase in the level of goods exports.

The UK is Ireland's second largest goods export market (after the US), accounting for 11% of goods exports in 2021. In 2021, more than a quarter of our goods exports to the UK was Food & Live Animals. The UK is Ireland's largest source of goods imports, accounting for 19% of goods imports in 2021.

The UK is Ireland's second largest services export market accounting for 14% (€40bn) of services exports in 2021. Computer services account for 44% of our services exports to the UK. The UK is Ireland's second largest source of services imports (after the US), accounting for 7% (€23bn) of services imports in 2021. Business services account for 44% of our services imports from the UK. Ireland has a significant services trade surplus with the UK.

Trade with Northern Ireland

Goods exports to Great Britain fell from €13.4 billion in 2019 to €12.3 billion in 2020 and recovered to €14.4 billion in 2021. However, goods exports to Northern Ireland were around €2.5 billion in 2019 and 2020 but increased to €3.7 billion in 2021 after Great Britain left the single market but Northern Ireland remained within it.

Goods imports from Great Britain fell from €18.2 billion in 2019 to €15.4 billion in 2021. However, goods imports from Northern Ireland increased from €2.4 billion in 2019 and 2020 to €4 billion in 2021. Imports of Chemicals & Related Products from Northern Ireland increased from €250 million in 2019 to €850 million in 2021. Imports of Food & Live Animals from Northern Ireland increased from €720 million to over €1 billion over the same period.

In 2021, our goods exports to Northern Ireland were worth almost €3.8 billion, an increase of 56% on 2020. Northern Ireland accounted for 2.3% of our total goods exports in 2021. Our goods imports from Northern Ireland were worth €4 billion in 2021, an increase of 69% on 2020. Northern Ireland accounted for 3.9 % of our total goods imports in 2021.

Coordinate Brexit, North South and East West matters across the Department and oversight of InterTradeIreland

The Ireland-UK Unit coordinates Brexit matters that are dealt with across the Department, particularly those relating to the Ireland/Northern Ireland Protocol.

North South matters are a significant focus of the Unit and include responsibility for the North South Ministerial Council, oversight of InterTradeIreland, DETE projects under the EU-funded INTERREG VA programme and its successor programme, PEACE PLUS; and DETE's contribution to the Shared Island Initiative, including projects to be supported by the Shared Island Fund.

Broader East West matters for which the Unit is responsible include engagement with the devolved regions of the UK, e.g. through the annual Ireland Wales Forum.

[redacted]

Progress on issues relating to InterTradeIreland, including decisions related to staffing and resourcing, is hampered by the absence of the institutions established under the Good Friday Agreement.

Identify, formulate and develop Ireland's international trade policies

The geopolitical landscape for trade has become more strained in recent years with a weakening of the multilateral system and the influence of the World Trade Organisation (WTO), economic and trade fallout of the pandemic, growing protectionism, the Russian invasion of Ukraine and ongoing tensions between the US and China. These trends could lead to more permanent shifts away from current patterns of trade and globalisation, intensifying previous trade tensions and trends, with adverse implications for a small, open economy such as Ireland. Increasingly, countries are perceiving trade through a national security lens and are taking trade-restrictive measures on that basis although that justification can be disputed.

To respond to these challenges, Ireland needs a clear policy prioritisation that supports a rules-based multilateral trading system including an effective dispute resolution mechanism. As trade becomes more digital, Ireland has a keen interest in tackling barriers to digital trade as well as trade in environmental goods and services, to support the green transition.

As trade policy is an EU competence, Ireland's international trade policy is defined in Dublin but articulated in Brussels, as well as at the multilateral level in Geneva at the WTO, and the OECD. Trade Policy Unit works closely with DETE Counsellors and their teams in Brussels and Geneva to advance our priorities and exert influence on EU deliberations. The centrepieces of the Minister's EU engagement are two formal Trade Councils per annum in Brussels as well as an informal Trade ministers Council hosted by the member states' holding the rotating EU Presidency each six months; while at the WTO it is a bi-annual Ministerial Conference to hammer out deals on global trade rules.

The current key strategic issues and priorities for Trade Policy are:

Trilogue Negotiations on the new Anti-Coercion Instrument

In November 2022, the Council of the European Union adopted a negotiation mandate regarding the Commission's proposed Anti-Coercion Instrument. The instrument is in response to the EU and its member states becoming the target of deliberate economic pressure by third countries, most recently experienced in relation to China and Russia. The aim of the Instrument is to deter countries from restricting or threatening to restrict trade or investment against any one or more EU countries, with a view to exerting pressure on those countries to bring about a change of policy.

Current position

The Council reached a position regarding the proposal after 9 months of intensive deliberations by member states. The Council compromise strengthens member state involvement in decision making, limits the number of response measures available to the Union and emphasises the important interplay between measures under this Instrument and actions available to the European Union under its Common Foreign and Security Policy (CFSP). These agreed compromises were, in part, due to Ireland's close collaboration with like-minded member states on key issues. However, Ireland remains concerned as to the potential impacts Union measures targeting FDI would have on the investment environment in Ireland and the Union as whole. The European Parliament (EP) as the co-legislator has its own views regarding the file and trilogue discussions will therefore be challenging.

Next steps

The current Czech Presidency will lead on trilogue discussions on the file before it is handed to the incoming Swedish Presidency to complete in early 2023. Negotiations can be expected to be difficult due to the wide gap between the EP and Council position particularly around decision-making and limiting the number of Union measures available under the Instrument.

WTO Reform and the 13th Ministerial Conference

The World Trade Organisation (WTO) oversees the Multilateral Trading System which comprises a range of legal agreements, particularly relating to trade sectors or trade policy issues. The WTO meets at Ministerial Conference level every two years and takes decisions by consensus. The generally held view is that the WTO has become less effective over recent years and work is ongoing on overall WTO reform, as well as specific negotiations on a range of issues including digital trade, agriculture, and fisheries.

Current position

Ireland supports meaningful reform of the WTO, where such reform is deemed necessary. Work is continuing on the reform agenda with many members focusing on reform of the Dispute Settlement system, [redacted]

Ireland also believes the WTO needs to be modernised and empowered to better respond to an increasingly digitised trading environment. The coordinators of the eCommerce negotiations are targeting the13th WTO Ministerial Conference (MC13) for conclusion of the eCommerce agreement, and a successful outcome of these negotiations – including a solution for the moratorium on customs duties – is a priority for Ireland.

Next steps

MC13 will be held in the United Arab Emirates in Spring 2024. Negotiations on key files will continue in the lead up to MC13, in the hopes of reaching Agreements for Ministerial approval.

Ratification of the Comprehensive Economic and Trade Agreement with Canada (CETA)

CETA is a progressive and comprehensive free trade agreement between the EU and Canada that entered into force provisionally from 21st September 2017. Since then, Irish companies have benefitted from the preferential terms of CETA, including the elimination of tariffs on almost all key exports, access to the Canadian procurement market, the easing of regulatory barriers and more transparent rules for market access.

As a mixed agreement containing both EU and member states competencies, only those parts of the agreement for which the EU has competence, which are the trade elements, have been provisionally applied, pending the completion of each member state's ratification procedures. To date, the Agreement has been ratified by 16 EU member states. The Investment Court System (ICS), which provides for the settlement of disputes between investors and the EU or Canada, is an area of joint competence and has therefore been excluded from provisional application.

Current position

In March 2021, Deputy Patrick Costello commenced High Court proceedings based on his view that CETA requires a referendum to be ratified in Ireland. The High Court found against Deputy Costello in its September 2021 judgment, however following a Supreme Court appeal , the Court ruled in favour of Deputy Costello's appeal on 11 November 2022. By a 4:3 majority, the Supreme Court ruled that the Constitution of Ireland precludes the Government and Dáil Éireann from ratifying CETA as Irish law now stands. The Court also ruled by a 6:1 majority, that certain amendments to the Arbitration Act 2010, would allow ratification to proceed.

Senator Lynn Boylan has also initiated a High Court action on ratification, but that case has yet to progress and a hearing date has not yet been set.

Next steps

The Government remains committed to ratification and we are taking advise from the Office of the Attorney General with a view to informing next steps.

Digital Trade

Digital trade refers to commerce enabled by electronic means and covers trade in both goods and services. It affects all sectors of the economy and is highly important for Irish and European industry. It encompasses activities and processes such as paperless trading, electronic contracts, electronic invoicing, electronic transactions framework and digital identities, electronic signatures, data, online consumer protection, cybersecurity and cryptography.

The EU is ambitious on digital trade and modern EU trade agreements contain a self-standing chapter on digital trade, containing binding provisions on a wide range of issues including banning customs duties on electronic transmissions, promoting electronic contracts, electronic authentication methods and electronic trust services, ensuring online consumer protection and prohibiting unjustified barriers to data flows.

The EU is currently in negotiations on an agreement on data flows with Japan. The EC is also swiftly moving ahead with a series of digital partnership agreements, containing agreed principles on digital trade, with Japan, Korea and Singapore, and is fully engaged in the above-mentioned WTO discussions.

Current Position

Ireland supports the inclusion of ambitious text on data flows in trade agreements. The purpose of such text is to prevent unjustified “data localisation” requirements in third countries. Such requirements are a barrier to trade as they force businesses to store data within the territory of a trading partner thus increasing costs. The EU-UK TCA is the first trade agreement to include text on data flows. Provisions on data flows have also been agreed in the updated FTA with Chile and in the FTA with New Zealand though neither of these have entered into force. The EU believes that permanently prohibiting customs duties on electronic transmissions should be part of the negotiated outcome in the WTO e-commerce negotiations.

Next steps

Ireland will continue to support the European Commission in its ambitious approach to digital trade in free trade agreements and at the WTO. It is envisaged that Ireland will take a more active role in discussions on digital and build capacity given our strengths in this area and the large number of global leading companies in the digital sector in Ireland.

Trade and Sustainable Development (TSD)

The TSD agenda has been increasing in importance in recent years. This is driven by increased focus by citizens, NGOs, governments, unions and enterprises on the relationship between trade and the environment, impacts on climate change, human rights, labour standards and responsible business conduct. The TSD agenda is broadly developing in three ways at EU level:

- **Autonomous EU measures** such as the proposed Carbon Border Adjustment Mechanism (CBAM); the proposal to ban products made from forced labour being placed on the single market; the proposed regulation to minimise EU driven deforestation and forest degradation; and the proposed directive for Corporate Sustainability Due Diligence, which will provide for mandatory due diligence by large companies to identify and prevent, end or mitigate adverse impacts of their activities on human rights, worker's rights and the environment.

- **Modern EU Free Trade Agreements** have contained steadily more comprehensive provisions on TSD, notably in relation to commitments to climate change and labour standards.
- **At the multilateral level** at the WTO, there is enhanced focus on areas such as trade and environmental sustainability and trade and gender. Discussions are underway to develop roadmaps for actions in areas such as liberalising trade in environmental goods and services, the circular economy, plastics trade and fossil fuel subsidies. In addition, there are soft law international standards that are increasingly being used by governments and by companies, including the OECD Guidelines for Multinational Enterprises and their associated guidance to companies on sectoral and supply-chain due diligence.

Current Position

Ireland is open to a more assertive approach to TSD in trade policy. Our position retains a strong core belief in open and fair rules-based trade. Ireland is generally supportive of autonomous, bilateral and multilateral TSD measures and initiatives as long as they are fair, transparent, non-discriminatory, WTO compatible, deliver on objectives and do not unnecessarily impact or overburden trade.. We prioritise a cooperative approach with trade partners to TSD issues.

Next steps

Values based trade is a key tenet of our new Trade and Investment Strategy, and in support of this the TSD component of trade agreements will become more prominent. The Trade Policy Unit will continue to support the EU in its negotiations with third countries to ensure that we have robust and enforceable TSD provisions, taking into account the development position of our trade partners. Working with the EU, Ireland is focused on advancing discussions in the WTO on trade and the environment and to prioritise trade in environmental goods and services, ahead of the next WTO ministerial conference.

Trade Relations between the EU and the United States

There is no Free Trade Agreement between the EU and US. Negotiations for a Transatlantic Trade and Investment Partnership (TTIP) foundered under the Obama Administration and was not taken up under the Trump Administration, where trade relations regressed with liberal use of tariffs. Under the Biden Administration, the US has recommitted to multilateralism and a range of trade disputes have been suspended, [redacted]

The EU-US Trade and Technology Council (TTC) is a central component of the EU-US relationship and serves as a platform for cooperation, based on shared democratic values, on key trade, economic and technology issues in order to foster close collaboration on issues of mutual interest across the trade and technology spectrum.

Current Position

The Inflation Reduction Act (IRA) was enacted in August 2022. While the electric battery issue has been the most prominent, there are potentially vast (and trade distorting) subsidies available under the new act that support the green transition in the US and that are of deep concern to the EU. The introduction of the IRA by the US runs counter to the principles of increased cooperation between the EU and US under the umbrella of the TTC. An EU-US Task Force on the IRA was launched on 25 October as a means for the EU and US to continue promoting deeper understanding of both the EU's concerns and US priorities for the Act, which is due to come into force on 1 January 2023.

Ireland is also keen to see a permanent resolution to other trade disputes with the US, namely the section-232 steel and aluminium dispute and a civil aviation dispute involving subsidies to aircraft manufacturers that is currently in abeyance pending a permanent solution.

Next steps

The 5th December meeting of the TTC has been generally received as positive with progress on a number of tangible deliverables that were set out in the joint statement issued following the meeting, including on AI Megawatt Charging Systems for heavy-duty vehicles, an early warning mechanism to address and mitigate semiconductor supply chain disruptions, extend the scope of the EU-U.S. Mutual Recognition Agreement annex for Pharmaceutical Good Manufacturing Practices and the establishment of a Transatlantic Initiative on Sustainable Trade

However, the backdrop to TTC3 was coloured by the introduction of the US Inflation Reduction Act. [redacted]

EU Generalised Scheme of Preferences (GSP)

EU's GSP (in existence since 1971) removes import duties from products coming into the EU market from vulnerable developing countries. This helps developing countries to alleviate poverty and create jobs based on international values and principles, including labour and human rights.

Current position

The current GSP Regulation expires at the end of 2023. The Proposal for a new GSP Regulation is currently being progressed under the Czech Presidency. Ireland supports the overall aim of the Proposal to make limited changes to the existing GSP Scheme while improving some of the key features of the Scheme. We achieve this by active participation and monitoring of the Proposal as it progresses through the TPC GSP, in consultation with relevant Depts, like-minded MS and stakeholders as required. The process is complicated, however, as some other member states wish to toughen the trade enforcement aspects of the GSP Regulation.

Next steps

Negotiations with the European Parliament are required before the updated Regulation can be adopted.

Status of EU Free Trade Agreements (FTAs)

EU-Chile

The EU and Chile concluded an Association Agreement in 2002, which included a comprehensive Free Trade Agreement that entered into force in February 2003. In 2015 it was agreed by both parties that an upgrade to the existing Agreement was required. Political conclusion on the updated Agreement `was announced on December 9th, with a number of improvements achieved including, removal of annual increments on beef TRQs, increased protections for agri-food GIs and a liberalisation for some important food stuffs such as cheese`, with the EU gaining increased market access to Chile's natural mineral reserves.

Given that investment protection provisions are included in the Agreement (analogous to those that have led to difficulties with the EU-Canada CETA agreement), the agreement has been split into two agreements – an interim Free Trade Agreement and an over-arching EU-Chile Advanced Framework Agreement. This split will allow the trade elements of the Agreement applied on an interim basis, until full member state ratification processes can be completed. We expect to see the completion of the legal "scrubbing" process of the text during 2023.

EU-Mercosur

The EU announced the conclusion of trade negotiations with the four founding members of Mercosur (Argentina, Brazil, Paraguay, and Uruguay) in June 2019. The Agreement covers a population of 773 million (across both EU and Mercosur), with trade in goods and services worth €122 billion. It aims to reduce and, in some areas, eliminate trade tariffs between the EU and the Mercosur region.

For Ireland, there are a number of sensitivities regarding the Agreement, but particularly the beef quota of 99,000 tonnes for Mercosur countries. In addition, given the extensive forest fires in the Amazon in 2020 and 2021, Ireland along with other member states sought assurances that the Mercosur countries and specifically Brazil would honour their climate and sustainability commitments. A statement to be added to the final text is currently being developed by the EC. It is envisaged that the new administration under President-elect Lula da Silva will allow for a greater level of cooperation between Mercosur and the EU.

An independent economic and sustainability impact assessment was commissioned by the Government to address concerns about the impacts of the Agreement for Ireland, particularly regarding the beef sector and the sustainability dimensions. The report was published in July 2021. The impact assessment shows that there are broadly positive economic impacts for Ireland, with over €1 billion additional exports generated due to the Agreement. Irish exports to the Mercosur markets are expected to be 17% higher under the agreement, with increases forecast in pharmaceuticals, computer, and electronic products, electrical equipment and machinery, processed foods and beverages.

EU-China (CAI)

A Comprehensive Agreement on Investment (CAI) between China and the EU was concluded in December 2020. The agreement in principle will, if ratified, strengthen these trade relations and improve access for European and Chinese investors to each other’s markets. Given the longstanding trade and investment related issues with China – such as Market Access, the Level Playing Field, environmental issues and labour rights, Ireland and the EU are of the view that an ambitious but balanced Investment Agreement with China would be of mutual benefit.

However, in May 2021, the European Parliament passed a resolution to pause the legislative process for ratifying CAI until retaliatory sanctions against members of the Parliament are lifted. Ireland supports this position and given other geo-political issues related to China, the circumstances for any further advancement of CAI are not currently in place.

India

Negotiations for an FTA, Investment Protection Agreement and an agreement on Geographical Indications with India began following the WTO MC12 in June 2022. Three negotiating rounds have so far taken place under the CZ Presidency. The goal is to achieve a comprehensive and pragmatic trade agreement by the end of 2023. This is considered a very ambitious and challenging timeframe as India is a difficult partner in the WTO and has a protectionist approach to supporting indigenous industry. The EU and India have also agreed to form a Trade and Technology Council which was announced at a summit in April.

Australia

Negotiations for an FTA with Australia have been ongoing since June 2018. The 14th round of negotiations will take place in Canberra in 6 - 10 February 2023. Initial offers have been exchanged on Services and Market Access chapters and negotiations will continue during the SE Presidency in the first half of 2023.

Mexico

On 21 April 2018, the EU and Mexico reached an agreement in principle on a new trade agreement that will be part of a broader Global Agreement. The updated text is a mixed competence agreement which means the trade and investment aspects are housed within one agreement. This means that the agreement would require ratification by each MS in line with their constitutional requirements (approximately 40 national and regional parliaments). [redacted]

New Zealand

Following four years of negotiations, the EU and New Zealand announced the successful conclusion of negotiations for a Free Trade Agreement in June 2022. The agreement covers areas that are the exclusive competence of the EU and does not include measures on investment protection or portfolio investment, therefore, ratification by national parliaments will not be sought. Once the FTA has been ratified by the European Parliament and the New Zealand Parliament it will enter into force on a date yet to be agreed. Trade between New Zealand and the EU is expected to increase by 30% on foot of the agreement, with the removal of tariffs alone saving businesses €140m in duties per year. EU investment flows into New Zealand could increase by over 80%. The Agreement is the first to include the EU's new approach to Trade and Sustainable Development chapters of FTAs. This includes the possibility of sanctions, as a last resort, in the case of serious violations of core labour principles or of the Paris Agreement.

Vietnam

The EU-Vietnam Free Trade Agreement (FTA) entered into force on 1st August 2020. Both the Investor Protection Agreement (IPA) and the FTA have been ratified by the European Parliament and the National Assembly of Vietnam. The IPA, however, will not enter into force until it has been ratified by each EU member state. In Ireland's case this would require a vote in Dáil Éireann. Ratification of the IPA in Ireland is impacted by the Supreme Court judgment in the CETA case and a decision on how to progress is dependent on the next steps in the ratification of CETA.

Singapore

The FTA entered into force on 21 November 2019, but the IPA is a mixed competence agreement so will require ratification by all member states in accordance with their individual procedures before entry into force. Similar to Vietnam, ratification of the IPA in Ireland will dependent on the next steps in the ratification of CETA.

Africa, Caribbean and Pacific (ACP) Trade Files

The EU offers free access to the EU market via Economic Partnership Agreements, Free Trade Agreements including the Deep and Comprehensive Free Trade Areas with the countries of North Africa and the GSP "Everything But Arms" (EBA) Scheme with African countries. Political dialogue between the EU and African Union takes place regularly at different levels. The overarching framework for EU-ACP relations is the EU-ACP Partnership Agreement. In 2018, the EC opened negotiations for a new partnership agreement with 79 countries in Africa, the Caribbean and the Pacific (ACP) – the "post-Cotonou" negotiations. Ireland welcomed the conclusion of these negotiations in 2021.

The EC Trade Policy Review contains a strong positive reference to Aid for Trade. The importance of deepening engagement with the African continent and African states is noted and strengthening the EU's partnerships with neighbouring and enlargement countries and Africa is identified as one of the focus areas in the strategy.

Trade support to Ukraine

The EU has taken unprecedented steps to support Ukrainian trade following the Russian invasion. All Ukrainian imports can now enter EU completely duty- and quota-free (DCFTA). Any anti-dumping and safeguard measures that were imposed on Ukraine before the war have now been suspended. The trade liberalisation measures entered into force on 4 June 2022 and will remain in force until 5 June 2023. It is understood that the Ukrainian Government would like the temporary measures to be extended until end 2024. The European Commission will bring forward a proposal in early 2023 on extension of the temporary measures.

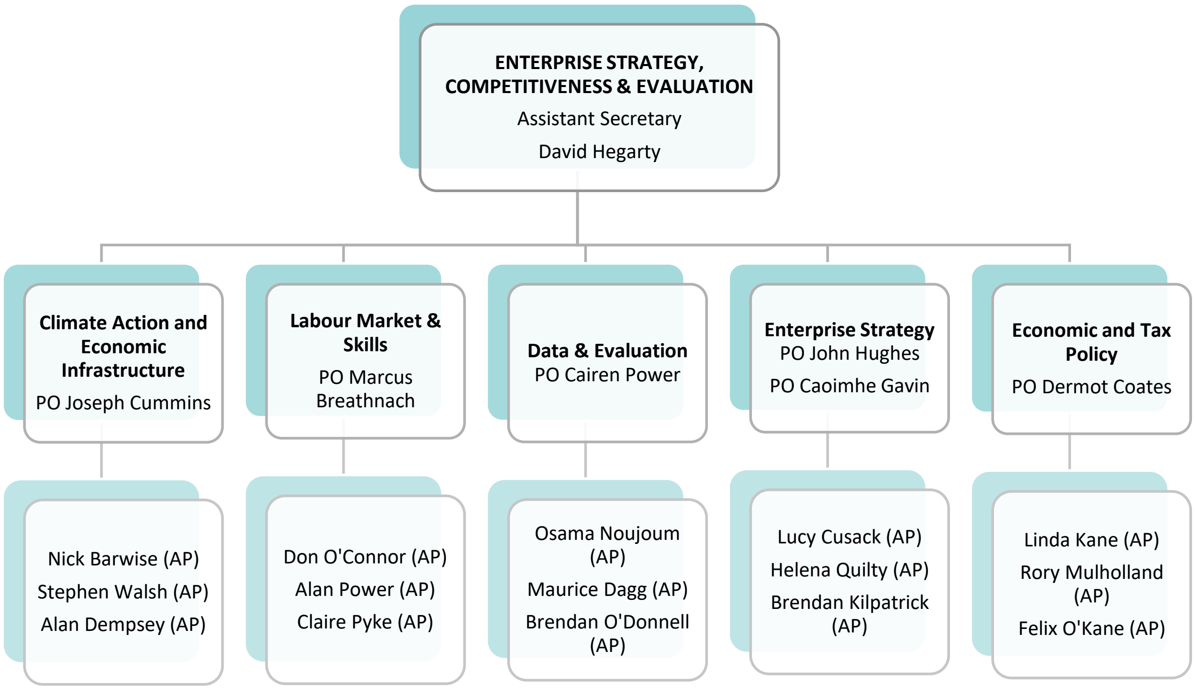
Develop and oversee policy for Responsible Business Conduct

Responsible Business Conduct (RBC) issues are becoming increasingly important for enterprises and this is having a growing impact on various workstreams across the Department. Policy initiatives are being rolled out nationally and internationally on a wide range of inter-related issues under this overall heading. To promote a coherent, consistent and coordinated approach across the Department, a Contact Group on Responsible Business has been established which the OECD NCP and RBC Coordination Unit is responsible for managing.

The Unit is now responsible for the negotiation of a new EU proposal to ban forced labour goods, which is expected to attract interest politically and from the NGO community. Participation in the European Commission's work on this proposal has commenced, but the regulation will also present significant implementation challenges for the Department.

The Unit also acts as the OECD National Contact Point (NCP) to promote the OECD Guidelines to raise awareness that businesses should act in accordance with their responsible business conduct recommendations; and handle often sensitive complaints, referred to as specific instances alleging non-observance of the Guidelines. The Guidelines are currently being updated by the OECD to ensure they reflect what is expected of businesses today and into the future. An early priority is confirmation of Ministerial attendance at OECD Ministerial meeting on Responsible Business Conduct in Paris on 14/15 February 2022.

3.5 Enterprise Strategy, Competitiveness & Evaluation Division



ROLE OF THE ENTERPRISE STRATEGY, COMPETITIVENESS & EVALUATION DIVISION:

The Enterprise Strategy, Competitiveness and Evaluation Division works closely with other Divisions in the Department and with other government departments with the aim of ensuring that policy supports a strong, competitive enterprise sector. The Division provides evidence-based support to the work of the Department and works with other government departments to enhance the business environment in areas such as skills, climate action, taxation, energy infrastructure, competitiveness and productivity. The Division supports the work of, and provides the Secretariat for, three independent bodies that operate under the aegis of the Department, the Low Pay Commission, the National Competitiveness Council (NCC) and the Expert Group on Future Skills Needs (EGFSN).

THE KEY PRIORITES FOR THE ENTERPRISE STRATEGY, COMPETITIVENESS & EVALUATION DIVISION INCLUDE:

Delivering Carbon Abatement in Industry and Built Environment in line with Sectoral Emissions Ceilings assigned to M/ETE

The Minister for ETE has responsibility under the Climate Action and Low Carbon Development (Amendment) Act 2021 to reduce Industry on-site emissions (manufacturing, including cement and alumina) by 20% by 2025 and 35% by 2030, while emissions from the heating of non-residential buildings (on-site built environment emissions) must be reduced by 20% by 2025 and 45% by 2030.

These targets are extremely challenging, and imply:

- A multi-billion euro investment by our manufacturing sectors and all enterprises in decarbonisation over coming years.

- Financial assistance from state agencies to facilitate these investments on a reasonable commercial basis, including for heat-pumps, biogas, commercial building retrofit and RD&I. This financial aid is likely to be significantly above that already committed under the Green Transition Fund and Environmental Aid programme and is not provided for in the revised NDP allocations for DETE.
- An expanded policy formation for DETE and potentially new regulatory measures related to energy use in industry and buildings. This will need to include a formalised governance role for DETE, and a significant budget, for delivery of SEAI programmes to address the commercial built environment.
- An obligation on public bodies to procure lower carbon cements; and commitments that state funded projects under Housing for All and Project Ireland 2040 will provide clear requirements for the construction sector to decarbonise its materials and operations.

Current Position

In order to achieve the required abatement and the associated levels of investment, businesses require unambiguous, long-term policy signals about the pathway Government has chosen to achieve national and sectoral decarbonisation. Delivery of this Department's emissions reductions targets is further dependent on infrastructure and policy changes to be delivered elsewhere in the Government system. Climate Action Plan 2023 will be published in December, and the measures envisaged represent a significant increase in the Government's requirements on industry and all enterprises.

Next Steps

Next steps for the Climate Action and Energy Policy Unit, working across the Department's divisions, and as set out in Climate Action Plan 2023, will include:

- Developing a Roadmap for the decarbonisation of commercial buildings.
- Working under a new Decarbonised Heat Taskforce, to be established by M/ECC, to progress policy actions and potential financial assistance for the electrification of industrial heat needs.
- Agreeing a biogas / biomethane policy framework and support mechanism with DAFM and DECC that makes decarbonised gas available to industry.
- Re-establishing cement and construction sector decarbonisation working group to progress a public sector mandate on low carbon cement in public contracts, and promotion of alternative construction materials.
- Further embedding carbon budgets into agency targets, project evaluation and existing programmes. Further supporting DETE units to embed sustainability in their policy roles and programmes.
- Negotiation and transposition of the reframed EU Ecodesign directive on sustainable product standards and labelling.

Greater alignment between industrial development and energy policy to improve resilience and capture enterprise opportunities

Energy policy matters, including dramatic price increases following Russia's invasion of Ukraine and security of supply concerns in Ireland's electricity system, have become increasingly important for Ireland's business and investment environment. The Climate Action and Energy Policy Unit input across Government on these matters with the intent to ensure that policy decisions fully consider the implications for business in Ireland, particularly energy intensive businesses, and our future attractiveness as a location for these types of sectors. Significant policy areas on which DETE has engaged in recent months include the CRU's proposals on grid tariffs, the design of renewable energy auctions, DECC's review of electricity and gas security of supply, implementation of demand reduction measures under REPowerEU regulations, and some of the measures required to provide enterprises relief from sudden, large increases in their energy costs.

Our future industrial development is also increasingly linked to energy infrastructure availability, and renewable energy sources in particular. The Enterprise White Paper sets out that Ireland will have excess renewable energy capability and enterprise policy will ensure domestic value-added opportunities are fully captured alongside energy exports.

Current Position

The Climate Action and Energy Policy Unit will take an increasingly pro-active, positive industrial development approach to engaging with DECC's Energy policy officials and energy sector stakeholders. The Unit is responsible for inputting to, and advocating for, energy and industrial policy measures that will meet the needs of a rapidly evolving energy sector and facilitate the transformation of energy use by industry broadly. This will include developing a domestic supply chain and exportable expertise in renewable energy opportunities, particularly offshore wind and hydrogen development.. Enterprise policy, alongside EI and IDA sectoral engagement, will seek to ensure that industry can leverage the competitive advantages of Ireland's abundant renewable energy capability, while positioning the country strategically for future opportunities in decarbonised manufacturing and digital services sectors.

Next Steps

- The Unit and enterprise development agencies to progress workstream leadership roles on supply chain issues under the Offshore Wind Delivery Taskforce.
- Engagement with DECC on Security of Supply review and policy option choices arising from the review related to storage and import infrastructure to ensure energy system resilience.
- Engagement with DECC on forthcoming Hydrogen Strategy, including proposed actions for demonstration of industrial demand.
- Progress industry actions for Large Energy Users (LEUs) under CRU's Demand Side Strategy.
- Drive better data and reporting of LEU electricity emissions carbon intensity through SEAI-led research programme.

Implement the White Paper on Enterprise

In March 2022, the Government commissioned an in-depth review of Ireland's medium- to long-term enterprise policy in the form of a White Paper on Enterprise The White Paper seeks to protect the core elements that make Ireland's economy attractive for enterprise in the context of a potentially pivotal turning point in which Ireland faces a number of mutually reinforcing challenges such as digitalisation and decarbonisation, capacity challenges and new geopolitical realities.

Current Position

The White Paper on Enterprise was approved by Government on 7th December and subsequently published. The twin Green and Digital transitions feature strongly, and the White Paper identifies key policy objective as well as cross-cutting horizontal issues that require whole-of-Government responses. The first biennial Implementation Plan under the White Paper is to be prepared in Q1 2023 and White Paper implementation will be reported upon to the Cabinet Committee on Economic Renewal and Investment every 6 months.

Next Steps

The Unit will prepare the first biennial Implementation Plan in Q1 2023.

Develop Ireland’s clustering landscape through the National Clustering Policy and Framework

Further development of Ireland’s clustering landscape, facilitated by an overarching national clustering policy approach, was a commitment under Ireland’s Economic Recovery Plan. Clustering provides state support to coordinate and encourage collaboration between enterprises and between enterprises and Higher Education Institutions. Ireland has developed some strong clusters, with geographical concentrations, in sectors such as technology, life sciences, and financial services. Local specialisations have emerged which are being further developed though implementation of Ireland’s Smart Specialisation Strategy 2022 – 2027. Local networks of companies are also working together to share knowledge and cooperate to compete in international markets. In addition, Ireland has a nascent, but developing, landscape of formal cluster organisations seeded through Enterprise Ireland’s Regional Technology Clustering Fund (RTCF), the Regional Enterprise Development Fund (REDF) and investments by IDA Ireland alongside other funds and investments.

Current Position

The White Paper on Enterprise sets out a national clustering policy approach aimed at strengthening linkages and stimulating collective action between the enterprise sector, higher education institutes and other public sector bodies to sustain and build competitive advantage in areas of strategic national priority and potential. An external consultancy report was commissioned by DETE to establish an evidence base to underpin policy and programme development, overseen by the National Clustering Policy Steering Group.

Next Steps

In the context of the implementation of the White Paper on Enterprise, next steps will include establishing a central coordination structure for clustering in Ireland, with ministerial level sponsorship, cross-government engagement and involvement of the enterprise development agencies. This coordination structure will have responsibility for development of a National Clustering Programme to encourage the formation and strengthening of cluster organisations, to accelerate cluster development, as well as for maintaining and coordinating the portfolio of cluster organisations and ensuring cross-government coordination and action to maximise the potential and impact of clustering.

Engage with EU Industrial Policy including IPCEI and Industrial Alliances

For Ireland, as an open and global economy at the heart of the EU, preparing for a post-Covid Europe that is greener, more digital, more resilient and fit to face the future and the array of geopolitical challenges we face is critical. Enterprise Strategy Unit (ESU) engage with Industrial Policy developments and initiatives at an EU level as outlined in the 2021 Update to the EU Industrial Policy Package. The 2021 Update looks at 3 key areas: Strengthening Single Market Resilience; Dealing with Strategic Dependencies - Open Strategic Autonomy; and Accelerating the Twin Transitions.

Current Position

ESU chairs the Interdepartmental Steering Group for Strategic Value Chains and represents Ireland on the EU Industrial Forum and Industrial Forum Task Force for Transition Pathways (TF2). ESU is actively engaged with is the State Aid framework for Important Projects of Common European Interest (IPCEI). These are large-scale, multi-country projects for global state-of-the-art innovation to address market or systemic failures in particular sectors. There are currently five IPCEI approved by the Commission and being implemented, five that are being progressed with the Commission and a further 2 being developed in areas such as batteries, microelectronics, hydrogen, cloud, solar PV, and health. There is Irish involvement in a number, but not all, of these.

Next Steps

A Government decision on participation in the IPCEI on Microelectronics and Communication Technologies will be formally sought in early 2023 ahead of the notification stage. Potential participation in "wave 2" of the health IPCEI will be considered further in Q1 2023. In 2023, it is also expected that work will be undertaken to promote participation in Industrial Alliances. The Department plans to review our approach to IPCEI in Q1 2023 as expectations of significant exchequer investment could arise from participation and Ministerial approval for a revised national approach will be required.

Improve gender balance in senior business leadership

Balance for Better Business (B4BB) is an independent, business-led Review Group established by the Government in 2018 to improve gender balance in senior business leadership in Ireland, with a view to the benefits of diversity for business performance. ESU currently provides policy and administrative support for this initiative including on procurement, research and secretariat for the Review Group and Advisory Group. The Unit also provides the Secretariat for Ireland's Women in Finance (WIF) Charter Steering Group. The WIF Charter is an industry-led, government-supported measure to encourage gender diversity in the financial services industry in Ireland. ESU also engage with DCEDIY on the European Women on Boards Directive and advise on other relevant gender related issues as required.

Current Position

The Fifth Annual Report of the B4BB Review Group launched in November 2022; the mandate for the group is currently set through to the end of 2023.

Next Steps

The B4BB initiative is to be reviewed in light of expiration of current mandate and the transposition of the EU Directive on Improving the Gender Balance Among Directors of Listed Companies (handled by DCEDIY); new Co-Chairs are to be appointed for July 2023.

Progress Expert Group on Future Skills Needs (EGFSN) Studies

In its capacity as the Secretariat to the EGFSN, the Labour Market and Skills Unit undertakes research to identify the emerging skills needs of the Irish economy. The EGFSN generally undertakes 2-3 studies as part of its annual work programme, at sectoral or occupational level. In recent years these studies have focused on supporting the economy's transition to the new digital and green economies, diversification of Ireland's trade and the development of management capability to drive firm level productivity. The EGFSN secretariat also works to progress the implementation of the recommendations arising from each study- either through the establishment of an implementation group, or participation in groups led by relevant authorities.

Current Position

A real time ICT Skills demand indicators dashboard is close to being finalised. A Biopharma skills study is expected to be completed in Q1 2023 and an International Financial Services study in early Q2. The EGFSN will also meet early in the new year to determine its work programme for the coming year. The EGFSN secretariat is also continuing to support the implementation of previous EGFSN recommendations, by leading or participating in related implementation groups. These include recommendations related to SME Management, Construction, High Level ICT, Artificial Intelligence, Foreign Languages, and Logistics and Supply Chain Management.

Next Steps

To finalise the Biopharma and International Financial Services studies, determine the 2023 EGFSN work programme, and maintain a lead or supporting role in progressing previous EGFSN recommendations.

Inform the OECD Review of Ireland's Skills Strategy

In November 2021, the Department of Further and Higher Education, Research, Innovation and Science announced an OECD led review of Ireland's National Skills Strategy 2025, which was published in 2016. The review, which was a commitment under the Economic Recovery Plan, aims to ensure that Ireland has a solid foundation on which to build competitiveness and support economic and social sustainability into the future. The review has four priority areas: securing balance in skills through a responsive and diversified supply of skills; fostering greater participation in lifelong learning in and outside of the workplace; strengthening the governance across a joined-up skills ecosystem; and leveraging skills to drive innovation and strengthen the performance of firms. DETE and its agencies have been actively involved in the review and have been consulted as members of the National Skills Council, in bilateral meetings with the OECD, and through participation in review workshops.

Current Position

The greater part of the research and consultation for the review has been completed. Draft chapters of the review were circulated by the OECD to the Cross Departmental Project Team in August 2022 and potential policy directions or recommendations were considered at a National workshop, composed of a broad range of skills policy stakeholders, in late October. The OECD is now working with the Cross Departmental Project Team to incorporate the feedback from the National Workshop and work towards a final set of recommendations.

Next Steps

DETE will work with DFHERIS and the OECD team to inform and finalise the review, in particular its suite of recommendations for Irish skills policy, in the coming months. The review is expected to be launched in late Q1 2023.

Implement the Remote Work Strategy and progress research on reduced working time

Making Remote Work, the National Remote Work Strategy, was launched in January 2021, containing 15 actions which were taken forward by a Remote Work Interdepartmental Group (IDG), chaired by DETE. This reflects Programme for Government commitments on increased remote, flexible and hub-working and balanced regional development, as well as increased female-labour-market participation, among others. Additionally, research has been commissioned by DECC and DETE into the economic, social and environment implications of reduced working time, including the four-day working week.

Current Position

The Remote Work IDG oversaw the implementation of most of the Strategy's actions during 2021, including the publication of draft legislation on the right to request remote work, new income tax allowances for remote workers covering 30% of the cost of heating, electricity and broadband for days spent working from home, and the launch of the National Hub Network. The IDG has continued to meet in2022 to drive and coordinate remote working policy across Government.

Next Steps

The Remote Work IDG will continue to meet in 2023. The publication of the Work-Life Balance and Miscellaneous Provision Bill 2022, which now incorporates the right to request remote working for all workers, is expected in December. Development of a National Hubs Strategy 2023-25 by DETE and DRCD is also underway and is expected in 2023. Completion of the study on reduced working time is expected in the first half of 2023.

Progress recommendations of the Low Pay Commission

The Labour Market and Skills Unit provides the Secretariat to the Low Pay Commission (LPC), the body responsible for making recommendations on the National Minimum Wage (NMW).

Living Wage

The LPC and the LPC Secretariat will be responsible for giving effect to the November 2022 Government decision to progress to a living wage by January 2026. The LPC will recommend annual increases in the NMW to ensure it reaches the living wage of 60% of median wages by January 2026. The Secretariat will ensure adequate resourcing etc. to allow the LPC monitor the effects of the progression to the living wage.

Current Position

As per the establishing legislation, National Minimum Wage (Low Pay Commission) Act 2015, the LPC is required to submit its recommendation and annual report to the Minister on or before the third Tuesday in July. When making its recommendation, the LPC has to have regard to a number of factors, including - changes in earnings; changes in income distribution; whether un/employment has been increasing or decreasing, whether productivity has been increasing or decreasing; international comparisons; the need for job creation; and the likely effect that any proposed order will have on employment, the cost of living, and national competitiveness.

Next Steps

Progress towards a National Living Wage by January 2026 on foot of recent Government Decision including engagement with CSO on measurement of median wages and assessment of possible legislative changes to the National Minimum Wages Acts. The LPC recommendation for 2024 National Minimum Wage is due by 18th July 2023.

Subminimum / Youth rates

The statutory minimum wage for those aged under 20 is less than the full minimum wage. The minimum wage for those aged 19 is 90% of the prevailing rate, for those aged 18 it is 80% and for those aged 17 and under it is 70%. The question of subminimum wage rates for those aged 20 and under is an issue that has arisen frequently in the Low Pay Commission's (LPC's) consultations on the national minimum wage, and that receives political attention.

Current Position

In February 2022, the LPC was tasked with examining the issues around retaining or removing the youth rates and making recommendations on the subject. ESRI and the LPC Secretariat are conducting background research on the issue, under the terms of the LPC/ESRI Research Partnership Agreement.

Next Steps

During 2023 the LPC will review commissioned research on youth rates and make recommendations on whether to retain, remove, or expand the existing youth rates. The Secretariat will make any necessary legislative provisions on foot of any recommendations agreed by Government.

Universal Basic Income

During 2021, the Low Pay Commission (LPC) was tasked with examining the Programme for Government Commitment to "examine Universal Basic Income, informed by a review of previous international pilots, and resulting in a universal basic income pilot in the lifetime of the Government."

Current Position

To aid the LPC's work, a background technical research report was prepared by the Economic and Social Research Institute titled "A Universal Basic Income for Ireland: Lessons from the International Literature". This research was conducted under the terms of the Low Pay Commission / Economic and Social Research Institute Research Partnership Agreement. The LPC's report and recommendations on Universal Basic Income was submitted in July 2022.

Next Steps

The LPC report will be published on the 19th December and the ESRI report will be published on the 20th December.

Progress DETE Data and Evaluation Projects

The Data and Evaluation Unit undertakes reviews and evaluations of programmes/schemes funded through the Department's budget. The Unit undertakes cost-benefit analyses of funding schemes and produces statistics and data analytics to assist in evidence-based policymaking. Two key annual enterprise surveys produced by the Unit – the Annual Employment Survey and the Annual Business Survey of Economic Impact - monitor the employment and economic performance of the clients of Enterprise Ireland and IDA Ireland. The Unit also compiles the quarterly DETE Dashboard which presents approximately 100 economic indicators across the areas of jobs, enterprise and innovation.

Current Position

The Data team, in collaboration with the Companies Registration Office, are trialling the use of AI-powered document analysis software to convert the large holdings of semi-structured annual reports into a rich database to support policy analysis. Funding from the Public Service Innovation Fund has been used to procure the IBM Watson platform, and a system is being developed to extract and classify data from thousands of reports. We are also making use of Natural Language Processing (NLP) tools to gain insights from qualitative parts of the reports, such as company activity, structure, and sectoral risks.

Next Steps

The Evaluation team, in addition to evaluating DETE-funded programmes including grant and loan schemes, will publish a review of the COVID-19 Online Retail Scheme under the Spending Review 2022 process. In 2023, the team will also update the Capital Expenditure Review exercise (previously done for 2006-2020). The results of the pilot project to embed assessment of carbon use into the enterprise development agencies' assessment of grand funding, a DETE commitment under the Climate Action Plan, will be implemented in 2023. The team will continue engagement with the OECD on two projects: 'Quantifying Industrial Strategies' and 'Industrial Policy for Net Zero Carbon'.

Provide economic analysis to the Department and engage on enterprise taxation

The Economic and Tax Policy Unit provides economic analysis and briefing to other DETE business units. The Unit services the Senior Officials Group and Cabinet Committee on Economic Recovery and Investment and coordinates the work of the Small Advanced Economies Initiative. The Unit provides analysis of enterprise tax measures and monitors international tax developments in the provision of advice to the Minister. It engages with colleagues across Government on enterprise taxation and in ensuring an enterprise perspective is considered in the development of pensions policy. The Unit also engages with the enterprise development agencies and stakeholders to prepare a submission reflecting enterprise needs in advance of the Budget annually and ensures the submission reflects the Minister’s taxation priorities.

Next Steps

- Ongoing provision of economic analysis and briefing for other DETE business units
- Identification of tax policy priorities for consideration for Budget 2024
- Co-ordination and preparation of joint-agency submissions to potential tax expenditure reviews scheduled for H1 2023.

Analyse competitiveness issues affecting the economy and support the work of the National Competitiveness and Productivity Council

The Economic and Tax Policy Unit analyses and diagnoses issues affecting the competitiveness and productivity performance of the enterprise sector and the Irish economy generally, including through the work of the independent National Competitiveness and Productivity Council (NCPC) for which it provides the Secretariat. Through this work, the Unit produces an annual report - Ireland’s Competitiveness Challenge – which sets out the key competitiveness and productivity challenges facing the Irish economy and suggests specific policy actions to address these challenges. The Government provides a formal response to the Council each year.

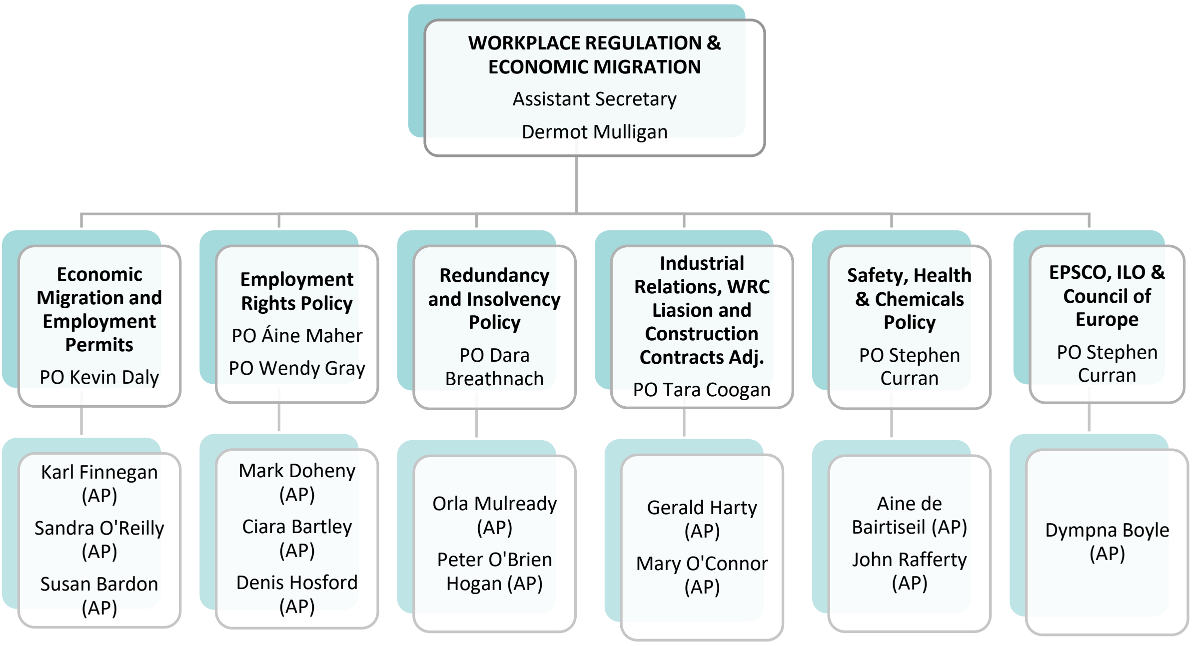
The NCPC currently has 13 members and includes representatives of the employer and trade union social partnership pillars, people with relevant expertise in competitiveness and a representative of this Department. Senior representatives from 11 government departments attend Council meetings in an advisory capacity. The Council is chaired by Dr Frances Ruane. The NCPC represents Ireland at the European Commission’s network for National Productivity Boards.

The Unit also produces a series of Competitiveness Bulletins each year on issues impacting the Irish economy. The Unit engages with and contributes to the outputs of the Irish Government Economic and Evaluation Service (IGEES). The Unit represents the Department on the IGEES Internal Advisory Group and inputs on the development of policy analysis across government departments.

Next Steps

- Preparing Ireland’s Competitiveness Scorecard for publication late Q1 2023
- Coordination of DETE/ESRI Joint Research Programme focused on productivity, climate and digitalisation.

3.6 Workplace Regulation & Economic Migration Division



OFFICES

Workplace Relations Commission	Liam Kelly, Director General
Labour Court	Kevin Foley, Chairman
Employment Appeals Tribunal	Kate O'Mahony, Chairman

AGENCIES

Health and Safety Authority	**Mark Cullen , Interim CEO**

ROLE OF THE WORKPLACE REGULATION & ECONOMIC MIGRATION DIVISION

The role of the Workplace Regulation and Economic Migration Division is to deliver positive workplace relations, well-functioning dispute resolution mechanisms, robust enforcement of employment rights, a safe working environment and a responsive economic migration policy aligned with the needs of the economy, along with an efficient employment permits process to regulate the entry of workers from non-EEA countries. The Division coordinates the Departments engagement with the Labour Employer Economic Forum (LEEF), which is the Governments formal structure for high level dialogue between employer and worker representatives to discuss the impact of economic and social policies on employment and the workplace.

The Division leads on Ireland's engagement with the International Labour Organisation (ILO), a United Nations agency based in Geneva, dealing with employment and labour market issues; co-ordinates Ireland's participation on the employment, equality and social policy elements of the EU's Employment, Social Policy, Health and Consumer Affairs Council (EPSCO), and represents Ireland on the Council of Europe's Revised European Social Charter.

THE KEY PRIORITES FOR THE WORKPLACE REGULATION & ECONOMIC MIGRATION DIVISION INCLUDE:

Drive improvements to the Employment Permits System and update the Critical Skills and Ineligible Occupations Lists

The State operates a managed employment permits system maximising the benefits of economic migration and minimising the risk of disrupting Ireland's labour market. The system is vacancy-led and driven by the changing needs of the labour market.

The general policy is to promote the sourcing of labour from within Ireland and the EEA. Where this is not possible, the employment permits system facilitates recruitment of non-EEA nationals who possess the requisite in-demand skills. The system is managed through the operation of the Critical Skills and Ineligible Occupations Lists which track current skills shortages and surpluses in Ireland and the EEA.

In order to maintain the relevance of these lists, and to ensure that the system is aligned with current labour market intelligence, there are periodic evidence-based reviews involving a public/stakeholder consultation. The lists are also informed by the views of Expert Group on Future Skills Needs (EGFSN) and the Skills and the Labour Market Research Unit (SLMRU). Consideration is also taken of the views of the relevant policy departments and the Economic Migration Interdepartmental Group, chaired by the Department of Enterprise, Trade and Employment.

Current Position

Employment Permits Unit has made significant progress in improving the permits processing system to address increasing demand, reducing applications awaiting processing from about 11,000 in January to c. 1,000 on 1 December 2022, despite further strong growth in demand in 2022, a 90% reduction from peak. Processing times of Critical Skills Employment Permits (CSEP) for Trusted Partners have been reduced to 1 week, while Standard applications stand at 2 weeks. All General Employment Permits (GEP) and Intra-Company Transfers stand at 2 weeks on 1 December 2022.

Next Steps

The current permit processing system utilises several ageing IT systems, and DETE is seeking to redevelop these systems using Cloud-based solutions. Permit applications will be submitted through a new online Portal which will seek to ensure applications are submitted in line with the requirements of the permit type, in order to maximise processing efficiency and provide a quicker turnaround time for users. A new back-end system will also be developed to support the optimal processing of employment permit applications, with comprehensive reporting of key metrics to manage demands on the service. It is anticipated that contracts with ICT providers will be signed in December 2022, with initial development work commencing in January 2023. Owing to the scale of the project it is anticipated that the delivery of the new system will take approx. 12 months.

Progress the Employment Permits Bill 2022

The Employment Permits Bill 2022 has been drafted to respond to the need to consolidate existing employment permits legislation, to modernise some provisions, to increase the agility and responsiveness of the system and facilitate a more streamlined and flexible approach to the employment permits system in Ireland.

This Bill incorporates both specific and general recommendations of the Review of Economic Migration Policy Report 2018, while retaining the core focus of a vacancy-led employment permits system oriented to meeting the skills and labour needs in the State. The changes proposed are aimed at increasing its effectiveness, including:

- the introduction of a seasonal employment permit;
- revision of the Labour Market Needs Test (LMNT) to make it more relevant and efficient;
- improved efficiency through moving operational criteria to regulations;
- providing for additional conditions for grant of an employment permit, such as training or accommodation support for migrant workers in some circumstances;
- facilitating third party contracts (subcontractors), and;
- automatic indexation of salary thresholds.

Current Position

Second stage of the Bill occurred on 12 October and Committee Stage occurred on 30 November. Report stage is expected in Q1, 2023.

Ensure that the State's suite of employment rights legislation remains fit for purpose and is updated to reflect both national and international developments

We are progressing a number of measures to ensure that the State's suite of employment rights legislation remains fit for purpose and is updated to reflect both national and international developments, including at European Union, Court of Justice and International Labour Organisation level.

The Right to Request Remote Working

The right to request remote working is one of five new workers' rights that the Tánaiste prioritised during his term as Minister for ETE. The Draft Scheme of the Right to Request Remote Working (RRRW) Bill was published in January 2022.

Current position

The Government agreed on 9 November to integrate the provisions for the right to request remote work for all workers into the Work Life Balance and Miscellaneous Provisions (WLB) Bill.

Under this approach, all employees will have a right to request remote working. The right to request the other elements of a flexible working arrangement, such an adjusted working patterns or reduced hours, will remain limited to parents and carers as defined in the WLB Bill. The principal differences in the integrated Bill compared with the original RRRW Bill are in the grounds for refusal and the right to redress. The RRRW Bill provided for 13 specific grounds upon which an employer could refuse a request, as well as a general "business grounds" provision. Under the integrated Bill, the enumerated grounds will be replaced by an obligation on the employer to consider both their needs and the needs of employees when considering a request. Employers will also be required to have regard to the Code of Practice. Under the integrated Bill a complaint can be taken to the WRC where an employer hasn't complied with the Code of Practice or the other requirements of the Bill.

Next steps:

- The stamped draft of amendments was submitted to the Oireachtas and introduced at Report Stage on the 7 December 2022;
- The WLB Bill will now move to all stages in the Seanad and if further amendments have been introduced the Bill will revert to the Dáil before concluding;
- Code of Practice must be prepared by the WRC and placed on a statutory footing via S.I.

Payment of Wages (Amendment) (Tips and Gratuities) Act 2022

This provides clarity on the meaning of tips, gratuities, and service charges; places tips and gratuities outside the scope of a person's contractual wages; obliges employers to display prominently their policy on the distribution of both cash and card tips; and obliges employers to distribute in a manner that is fair, tips that are received in electronic form i.e., through cards or smart phones. Any charge called a 'service charge' or anything that would lead a customer to believe it is a charge for service, will have to be distributed to staff as if it were a tips or gratuity received by electronic means. In addition to these measures, employers will have to provide a statement to their employees stating the total amount of tips or gratuities received for a set period, and the share being distributed to the individual employee.

These provisions provide transparency to employees. Any complaint about the distribution of tips or gratuities can be adjudicated on by the WRC, providing greater protection to staff in the sectors to which this legislation will apply.

In relation to customers, the requirement for premises to display their policy on tips, gratuities and mandatory charges ensures that customers are fully informed of where their money is going and can act accordingly.

Current position

The Act came into effect on 01 December 2022. Regulations are required to ensure the Act operates as intended. It has a built-in review mechanism at the end of 12 months from its commencement. When the review exercise has been completed, further amendments, if any, will be carried through in new legislation.

Next steps:

[redacted]

- Commence work on the statutorily required review of the Act on 28 October 2023. The report shall be published not later than 6 months from 28 October 2023 and a copy of that report is to be laid before each House of the Oireachtas

Transposing the E.U. Directive on Transparent and Predictable Working conditions

Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union aims at improving working conditions by promoting more transparent and predictable employment while ensuring labour market adaptability. It also includes a new Chapter on minimum requirements relating to working conditions providing completely new material rights for the workers in the European Union. The purpose of the EU Directive is to ensure that all workers will have:

- more complete information on the essential aspects of the work, which is to be received early by the worker, in writing;
- a limit to the length of probationary periods at the beginning of a job;
- the right to seek additional employment, with a ban on exclusivity clauses and limits on incompatibility clauses;
- the right to know in advance when work will take place – that is, for workers with very unpredictable working schedules, as in the case of on-demand work;
- anti-abuse legislation for zero-hour contract work;
- the right to request to be transferred to a form of employment with more predictable and secure working conditions where available and receive a reasoned written reply;
- the right to receive mandatory training required to carry out the job cost-free, which shall count as working time and, where possible, shall take place during working hours.

The Employment (Miscellaneous Provisions) Act 2018 pre-empted many aspects of the Directive, for example, introducing an anti-penalisation provision, stronger penalties for non-compliance, restriction of zero hours contracts and more precise information on hours of work for employees. However, the Directive does include some elements which go beyond the measures contained within that Act, which will require the making of regulations to fully transpose the Directive.

Current position

A number of the new elements introduced by this Directive, including a maximum probationary period of six months and the right to parallel employment are legally complex. This has prolonged the drafting process and the deadline for transposition of 1st August was not met. The EU Commission issued a letter of formal notice on 21 September 2022, notifying Ireland of non-compliance with transposition and officials are in correspondence with them.

Next steps:

Regulations to transpose the Directive into Irish law are currently being finalised.

Establishing an Employment Law Review Group

The Employment Law Review Group (ELRG) will be set up in Q1 2023 on a non-statutory basis to monitor, review and advise the Minister for ETE on matters concerning the design, delivery and implementation of employment and redundancy law; judgments of courts related to the enforcement of employment and redundancy law; EU and international developments in employment and redundancy law and related matters. In advising the Minister, the Review Group will seek to ensure that the State's suite of employment rights and redundancy legislation remains relevant and fit for purpose and is updated to reflect international developments.

[redacted]

[redacted]

Current position

Work has commenced on establishing the ELRG in early 2023. This work involves drafting Terms of Reference, organising suitable membership, and agreeing a workplan for the Group.

Next steps

The immediate focus is to get the Group up and running initially on a non-statutory basis, in Q1 of 2023. Work will then commence on drafting the appropriate legislation to have the Group placed on a statutory footing as soon as possible thereafter.

Bringing members of the Defence Forces and An Garda Síochána within the scope of the Organisation of Working Time Act 1997

The Organisation of Working Time Act 1997 (OWTA) sets out minimum rest and maximum working time for employees as well as holidays and other miscellaneous issues. The OWTA excludes members of An Garda Síochána and the Defence Forces from its scope.

This type of so-called 'blanket exclusion' has been found by the CJEU to be non-compliant with the Working Time Directive (WTD), which the OWTA transposed. Correcting this through amending the OWTA is an action for the Department of Defence in the Report from Commission on the Defence Forces. [redacted]

[redacted]

Current position

[redacted]

- [redacted]

Next steps

- [redacted]

Implement outstanding employment law commitments in the "Plan of Action on Collective Redundancies Following insolvency"

The Plan of Action commits to several legislative changes to further strengthen employees' protection during collective redundancies, particularly when their employer is insolvent. The commitments are:

- To remove certain statutory exemptions for collective redundancies caused by the employer's insolvency.
- To give employees further grounds for redress from the Workplace Relations Commission (WRC) should their employer make them redundant during 30-day period following statutory notification of collective redundancies to the Minister.
- [redacted]

Current position

The Heads of Bill for the remaining commitments are well advanced.

Next steps

It is intended that the General Scheme of a Bill to provide for the amendments to company law and employment law under the Plan of Action will be proposed to Government in Spring 2023. [redacted]

Address Glegola Supreme Court judgment by fully transposing Article 2(1)(b) of EU Directive 2008/94/EC

The Supreme Court has held that Ireland incorrectly transposed the relevant EU Directive 2008/94/EC. Currently, where an employer ceases trading but doesn't liquidate their company because there are insufficient assets ("informal insolvency"), their employees may be owed monies but are unable to claim them via the Insolvency Payments Scheme. This does not meet the Directive's requirements. Until this is resolved, the State is in breach of EU law and may be at risk of infringement procedures (though there has been no contact from the Commission to date). The Department is managing one active legal case related to this judgment.

Current position

- The Redundancy and Insolvency Unit has undertaken significant policy analysis to date on this complex, cross-cutting issue. To date, a preferred policy solution has been identified for one employer type.
- An Interdepartmental Working Group commenced its work in December 2022 to examine solutions for company employers. It is due to conclude its work by end-March 2023.

Next steps

- The Unit will continue to drive the Working Group's activities through Q1 2023. Subject to satisfactory conclusion, it is hoped that a preferred policy position will be submitted to the Minister during Q2 2023.
- The Unit, in partnership with CSSO & Counsel, will continue to manage any legal cases in a cost-effective manner.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Represent Ireland's interests at EPSCO, ILO & Council of Europe

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

EPSCO brings together Ministers responsible for employment and social issues from EU member states and aims to increase employment levels and to improve living and working conditions in the EU. There are usually four formal EPSCO meetings a year - two in Brussels and two in Luxembourg along with two informal meetings in the country of the current EU Presidency. Sweden will assume the EU Presidency from 1st January to 30th June 2023 followed by Spain. EPSCO Council meetings are usually attended by the Minister of State for Business, Employment and Retail.

Current position

A strategic priority for Ireland is maintaining and optimising our continued engagement and influence at the EPSCO Council. Current EPSCO files of note are a proposed Directive on improving working conditions in platform work, a Directive on the protection of workers from the risks related to exposure to asbestos at work and equality matters. In addition, the Department co-ordinates, prepares and develops policy inputs for EPSCO on the European Semester and European Pillar of Social Rights.

Council of Europe

The Department manages Ireland's obligations and interests in the area of employment and social policy with regard to the Council of Europe's Revised European Social Charter which promotes and protects socio-economic rights, and guarantees rights related to employment, housing, health, education, social protection and welfare. This includes ensuring that Ireland is represented on the Governmental Committee of the European Social Charter which examines member states and adjudicates regarding nonconformity with the European Social Charter and issues follow up recommendations.

International Labour Organisation (ILO)

The Department leads on Ireland's engagement with the ILO, which is a United Nations agency based in Geneva dealing with employment and labour market issues. Ireland currently has observer status at the ILO Governing Body and therefore does not have a vote or speaking rights.

Current position

The ILO Convention on Violence and Harassment in the World of Work (C190) was ratified by Government on the 2nd December 2022. It is intended to commence the ratification process on the

Convention 187, Promotional Framework for Occupational Safety and Health Convention, 2006 (C187). C187 was elevated to fundamental status in 2022 at the 110th International Labour Conference. As Ireland has ratified all other fundamental conventions it is intended to review C187 for suitability for ratification and, if appropriate, complete ratification without delay.

Enable the Health and Safety Authority (HSA) to fulfil its statutory mandate in securing safe and healthy working environments and in supporting business growth, productivity and competitiveness

Significant additional exchequer funding has been provided to the HSA in recent years to allow it to undertake significant restructuring and additional targeted recruitment. Its current staff complement is over 230 full time posts, and this is expected to increase to over 300 in early 2023.The Unit also supports the HSA by ensuring that an up to date, fit for purpose, occupational safety and health policy and legislative regime exists for the benefit of workers, businesses and the overall economy.

Current position

The 2023 Exchequer funding being made available to the HSA will enable it to continue to assist businesses across all sectors of the economy to comply with workplace health and safety obligations, to establish better long-term occupational health practices as well as assisting businesses to function in the post-Brexit regulatory landscape especially in relation to chemical usage, product safety, market surveillance and accreditation and, also, to assist businesses to adapt to a changing work practices including widespread remote working and an increased use of workplace digitalisation and artificial intelligence.

Next steps

The Unit will continue to support the HSA in completing its restructuring including the roll-out of its new core ICT platform and the establishment of its new Occupational Health Division. This new Division will enable the HSA to highlight occupational health hazards particularly focusing on the exposure to chemical and biological agents and psychosocial and ergonomic risks. It will focus on targets around reducing workplace accidents, injuries and long-term occupational illnesses, aiming to result in reduced workdays lost due to work related accidents, reduced costs for the social welfare and public health systems and reduced employer insurance costs. Investment in the Occupational Health Division represents a positive proactive longer-term State investment

The Unit will also work with the HSA in the development of a national policy on accreditation to ensure the Ireland is fully prepared to take on new accreditation roles set out in several new EU legislations and to embed accreditation at the heart of national cross-Departmental policy implementation. Accreditation is increasingly central to the facilitation of international trade and can provide trust and confidence in Irish enterprise, trade and public services enabling Irish goods and services to be internationally traded.

Ensure Ireland has a strong chemical regulatory framework in place by leading across Government and working with stakeholders and industry.

Safety, Health and Chemicals Policy Unit is responsible for ensuring, in cooperation with the Health and Safety Authority, that the State's legislative and regulatory framework is in full compliance with EU requirements for the protection of workers and the minimization of risk of the exposure of workers to hazardous chemicals and substances.

Current Position

In March 2022, the EU adopted a 4th update to the Carcinogens Mutagens and Reprotoxins Directive (CMRD) (Directive 2022/431), which is due for transposition on 05 April 2024. This Directive aims to improve worker protection by introducing new minimum worker exposure limits to reproxtic substances (chemicals which affect reproduction) and hazardous medicinal products (HMPs).

In addition, in September 2022, the EU Commission published a proposal for a new Directive on the protection of workers from the risks related to exposure to asbestos at work. The draft Directive introduces a stricter exposure limit and proposes Electron Microscopy (EM) as the primary method for asbestos testing. Industry in Ireland currently use Phase Contract Microscopy (PCM) as the primary means of assessing asbestos levels and the Department sought to secure a 7-year transition in the draft Directive to allow industry time to adapt to new testing methodologies and equipment.

Next Steps

Detailed work has begun on preparing for the transposition of the 4th update to the CMRD. It is proposed to transpose this Directive as part of an overhaul of the Carcinogens and Chemical Agents Regulations, which will be merged into a single statutory instrument and Code of Practice to be published by the Health and Safety Authority. It is fully expected that the 2024 transposition date will be achieved.

The Unit, in consultation with technical experts in the Health and Safety Authority, will continue to liaise with officials at EU level to contribute to discussions on the draft Asbestos Directive between the EU Commission, Parliament, and Council in 2023. While the revised exposure limit value is currently measurable in Ireland using PCM, the Department will strive to ensure the retention of an adaptation period for Irish industry to meet the new requirement to use EM as the primary means of asbestos testing.

Provide leadership and promote collaboration across Government and stakeholders on cross-cutting European and national chemicals policy matters.

The Department has the lead responsibility under the Chemicals Acts (2008 & 2010) for the implementation and enforcement of EU chemicals-related legislation within the State. The HSA are designated as the Central Competent Authority (enforcement) and have market surveillance and inspection authority roles under the Chemicals Acts. The Authority also represents Ireland (on behalf of the Department) in technical discussions on the development of EU chemicals policy. The Department of Agriculture, Food and the Marine (DAFM), the Environmental Protection Agency (EPA), the National Poisons Information Centre (NPIC) and the Revenue Commissioners also have designated national/competent authority status under the Chemicals Acts.

DETE performs its chemicals policy oversight and coordination function through an Interdepartmental Chemicals Directors group which meets twice a year as well as maintaining ongoing contact with stakeholders and industry on cross-cutting chemicals-related policy issues. DETE also participates in committees and other fora under the responsibility of other Departments e.g., DECC and DHLGH, and seeks to promote a holistic approach to policymaking on matters involving hazardous chemicals and substances.

Current Position

The EU is currently considering legislative measures to overhaul two cornerstone pieces of EU chemicals legislation (REACH and CLP). Both of these EU Regulations are given effect in Irish law through the Chemicals Acts 2008 & 2010.

The REACH Regulation governs the registration, evaluation and authorisation of hazardous chemicals in the EU. It defines the roles and responsibilities of importers, manufacturers, distributers and national enforcement (competent) authorities in protecting EU workers, citizens and the environment for the risk of exposure to hazardous substances.

The Classification, Labelling and Packaging (CLP) Regulation revision has been considered at working group level in Q4 2022, with Ireland actively contributing to these discussions through the Health and Safety Authority, in consultation with DAFM. The proposed revisions of the CLP Regulation aim to introduce new hazard classes and specific labelling requirements to ensure that safety data and precautions are communicated effectively to workers and consumers across the EU.

Next Steps

It is anticipated that the draft revised CLP Regulation will be finalized and published in early 2023. The revision of the REACH regulation has been delayed by the Commission until Q4 2023 due to its complexity and conflicting demands amongst stakeholders arising from EU consultations and impact assessments undertaken in 2021 and 2022.

Implementation of the Report of the Labour Employer Economic Forum (LEEF) High Level Group on Collective Bargaining

This Group was formed by the Tánaiste in consultation with the employee and employer participants of LEEF in March 2021. An independent Chair, Professor Michael Doherty, was appointed on agreement with the employee and employer representatives to facilitate the process. The Final Report of the Group was published on the 5th October 2022.. The recommendations of the Group can be summarised as:

1. A proposal where non engagement by a party in a Joint Labour Committee is incentivised by a statutory mechanism that could, in the appropriate circumstances, remove the negotiation and decision-making powers from the Joint Labour Committee's members to the Labour Court.
2. A proposal for greater use of 'technical assessors' before the Labour Court in matters where the Court is engaged in a statutory process designed to address a dispute involving a firm with no collective bargaining process in situ.
3. A proposal to encourage 'good faith' engagement at enterprise level.
4. Training and a code of practice for representatives engaging in collective bargaining.

The Group believes that these reforms, if implemented, should assist Ireland with its impending obligation to develop an action plan that will increase collective bargaining coverage under the EU Directive on Adequate Minimum Wages in the EU, which was published on 19th October.

Next Steps

The High-Level Group noted that some of its recommendations, if they are to be implemented and translated into law, will require careful and considered analysis and consultation. The Industrial Relations Unit will review this report, formulate proposals for its implementation in consultation with the social partners, and bring a Memorandum to Government on implementation before the end of 2023. The Enterprise subgroup of the LEEF will oversee implementation of these recommendations.

Preparation of an Action Plan to enhance collective bargaining environment

Under Article 4(2) of the EU Directive on the adequacy of Minimum Wages, Ireland is obliged, as a member state with an estimated 35% collective bargaining coverage, to have an Action Plan to enhance its collective bargaining environment. The target of 80% collective bargaining coverage set in the Directive is only meant as an indicator triggering the obligation to establish an Action Plan.

The Action Plan is to strengthen the social partners' capacity to engage in collective bargaining; to encourage meaningful negotiation on wages on an equal footing; to take steps to protect workers and their representatives from acts of discrimination affecting their employment; and to protect worker and employer representatives from acts of interference. The Directive states that minimum wages are adequate if they are fair in relation to the wage distribution in the relevant member state and if they provide a decent standard of living for workers based on a full-time employment relationship. Accordingly, Government moves towards a Living Wage will need to inform policy considerations in this area.

Next Steps

An Action Plan needs to be agreed with the social partners by the transposition deadline of the Directive, October 2024. It is anticipated that the LEEF mechanisms will be utilised in the preparation of the Action Plan. Wider public engagement, outside LEEF, is also likely to be required.

Issuance of an Employment Regulation Order for the Security Sector

An Employment Regulation Order (ERO) is an instrument drawn up by a Joint Labour Committee (JLC), adopted by the Labour Court, and given statutory effect by the Minister.

JLCs are bodies established under the Industrial Relations Acts to provide a process for fixing statutory minimum rates of pay and conditions of employment for employees in particular sectors. They may be set up by the Labour Court on the application of (i) the Minister, or (ii) a trade union, or (iii) any organisation claiming to be representative of the workers or the employers involved. A JLC is made up of equal numbers of employer and worker representatives appointed by the Labour Court and a chairman and substitute chairman appointed by the Minister. JLCs operate in areas where collective bargaining is not well established, and wages tend to be low.

The ERO fixes minimum rates of pay and conditions of employment for workers in specified business sectors: employers in those sectors are then obliged to pay wage rates and provide conditions of employment not less favourable than those prescribed. There are current EROs in place for contract cleaning and early years education and the childcare sector.

On 3 August 2022, the Minister English signalled his intention to issue an ERO to give effect to a statutory recommendation of the Labour Court concerning minimum rates of remuneration and other terms and conditions in the Security Sector.

Current Position

The Order was to apply from 29 August 2022. On 24 August 2022, DETE was informed that the High Court had granted an injunction prohibiting the commencement of the proposed Statutory Instrument giving effect to the new ERO for the Security Industry. The Minister was granted liberty to apply to the Court for the injunction to be lifted.

Next Steps

Officials of the Department are actively engaging with Counsel in relation to the matter. The matter is in the hands of the Court at this time.

Statutory Review of the Joint Labour Committees

Pursuant to changes made to the Industrial Relations Act 1946 in 2012, statutory reviews of each Joint Labour Committee (JLC) must be carried out by the Labour Court at least every five years. Accordingly, a new review will commence in January 2023 and it is expected that it will conclude in April. The report of the review will then be brought to the Minister's attention for his/her approval or rejection.

Sectoral Employment Orders (SEOs) and proposed SEO for electrical contracting

The Industrial Relations (Amendment) Act 2015 provides the legal basis for Sectoral Employment Orders (SEOs). An SEO can set the pay, pension or sick pay scheme for workers in an economic sector. It is binding across the sector to which it relates. An SEO begins as a request to the Labour Court to review matters such as the pay, pension or sick pay scheme for workers in an economic sector. The Labour Court can then decide to recommend that an SEO be made by the Minister. When the Minister makes an SEO, this gives statutory effect to the Labour Court's recommendations and makes them legally binding across the sector.

SEOs have been made for the construction sector, mechanical engineering, and electrical contracting.

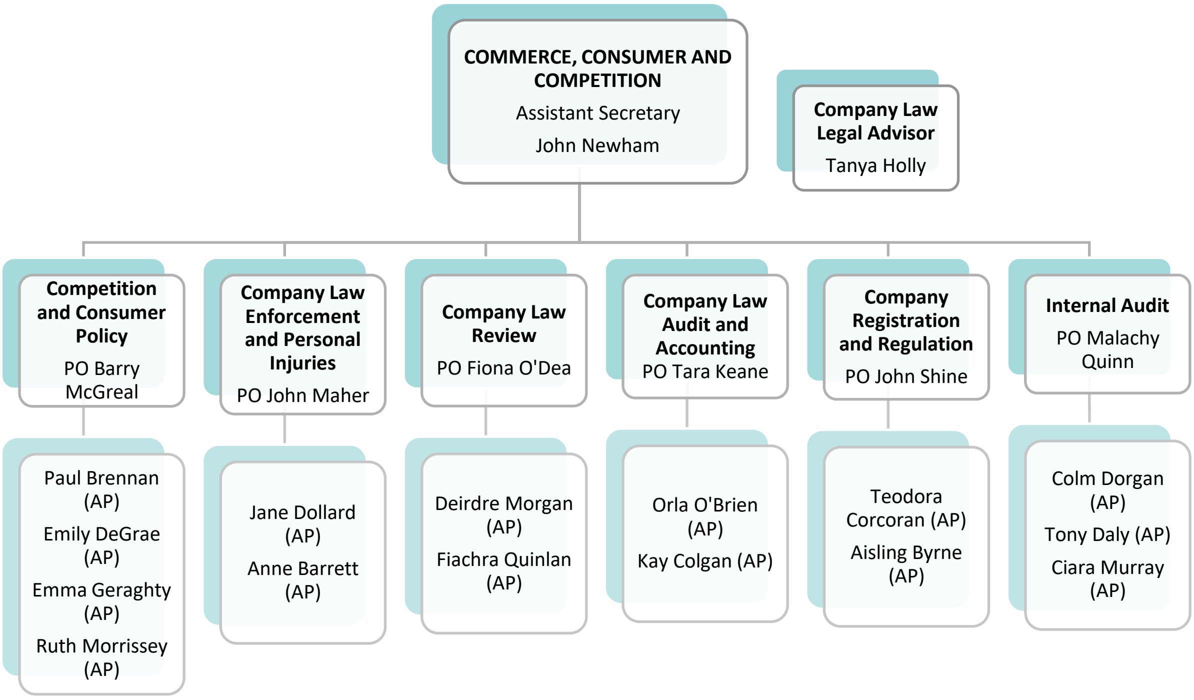
The Supreme Court has recently confirmed (NECI ruling) that the statutory provisions underlying the SEO process are constitutionally robust and the policy ambition therein fills a legitimate democratic aim. The SEO process was introduced to address the Supreme Court ruling in the Gowan case, which found the previous REA process to be an unconstitutional delegation of lawmaking powers outside the Oireachtas.

Next Steps

DETE has recently had to concede a judicial review concerning a proposed SEO for electrical contracting. The proceedings could not be defended in circumstances where there was a clear error on the face of the record, that is, there was a clear drafting error in the Order. The statutory process does not allow for any mistakes to be rectified.

DETE has recently received legal opinion on potential weaknesses in the statutory process. This opinion will need to be analysed and if appropriate, some legislative changes brought forward.

3.7 Commerce, Consumer and Competition Division



OFFICES

Companies Registrations Office (CRO) Registry of Friendly Societies (RFS) Central Register of Beneficial Ownership of Companies and Industrial and Provident Societies (RBO)	Maureen O'Sullivan, Registrar

AGENCIES

Competition & Consumer Protection Commission (CCPC)	Jeremy Godfrey- Chairperson
Personal Injuries Assessment Board (PIAB)	Rosalind Carroll - CEO
Irish Auditing and Accountancy Supervisory Authority (IAASA)	Kevin Prendergast - CEO
Corporate Enforcement Authority (CEA)	Ian Drennan - CEO

ROLE OF THE COMMERCE, CONSUMER AND COMPETITION DIVISION:

The Commerce, Consumer and Competition Division is the policy arm of the Department which seeks to help make markets work more effectively for consumers and through the promotion of keen competition, high standards of compliance and corporate governance and consumer protection but without unnecessary regulatory costs. Through the work of the Department's Internal Audit function it seeks to promote the highest standards of internal corporate governance.

THE KEY PRIOIRITES FOR THE COMMERCE, CONSUMERS AND COMPETITION DIVISION INCLUDE:

Help make markets work effectively for consumers

This work falls under two main headings – firstly, national and EU policy on competition and consumer rights: and secondly monitoring, supporting and liaising with the Competition and Consumer Protection Commission (CCPC), along with engagement with other relevant stakeholders.

Competition policy refers to ensuring that businesses compete fairly, and that competition law is enforced. Competition law is a fundamental prerequisite to an effective EU single market. The work of the Unit is legislatively heavy and is very influenced by EU law. The Unit services the various meetings and working groups associated with this agenda in Brussels.

Consumer policy relates to consumer rights i.e., the protections given to consumers to enable them to seek refunds / remediation / compensation. While this touches on consumer 'affairs', or consumer 'matters', the Department and the CCPC are not solely responsible for these broader issues. The consumer rights laws we are responsible for set a floor across sectors in terms of rights. Some sectors are regulated and the regulators themselves have functions to protect the customers in those sectors. This is particularly important in the current cost of living context where sectoral regulators such as ComReg, CRU etc have the lead on the consumer angle for their sectors. Essentially, consumer rights legislation affects the common law area of 'contract law'. As a result, caution always needs to be exercised in legislating in an area which intersects with the (constitutionally recognised) role of the judiciary and the status of common law in our legal system. A further cautionary factor is that such interventions affect commerce and the workings of the marketplace and therefore require a clear evidenced based policy goal which corrects market failures, and which does not create unintended consequences.

Current position

A significant achievement this year was the enactment of the Consumer Rights Act 2022. The Act is the biggest overhaul of consumer rights legislation in over 40 years. It consolidates and updates existing consumer protection legislation that regulates the main types of consumer contracts and introduces new and enhanced consumer protection measures. The Act also gives effect to three EU consumer rights Directives concerning contracts for the supply of digital content and digital services; contracts for the sale of goods; and the better enforcement; and modernisation of Union consumer protection rules.

Another important development this year was the enactment of the Competition Act 2022. This permitted Competent Authorities to enforce competition law through 'administrative sanctions' i.e., not having to go through the courts system. To ensure a coherent approach to competition law, the Act puts in place a *single* regime for breaches of both EU and national law. The legislation provides that the CCPC and ComReg (which is also a designated 'Competent Authority') can establish a separate panel of adjudication officers to decide upon penalties for breaches of the law on foot of investigations (of say 'cartel' behaviour) carried out by either body. This will need to be given effect via secondary legislation which is being developed.

Other recent legislation in this area was the Sale of Tickets (Cultural, Entertainment, Recreational and Sporting Events) Act 2021 which banned above cost reselling of tickets for designated events or venues.

Next steps

The Competition and Consumer Policy Unit is finalising, with the OPC, an important piece of legislation in terms of drafting a Bill to transpose the Representative Actions Directive. The legislation will permit a third party (unconnected to a legal action) to represent a group of consumers who have been harmed. The transposition deadline for this Directive is 25 December 2022. The Joint Committee's Pre-Legislative Scrutiny Report was received on the 2nd December 2022 and the 9 recommendations are being examined by the Unit. The Directive will not be transposed on time, and it is anticipated that it will be proposed to Government in Jan/Feb 2023.

Support the Corporate Enforcement Authority and ensure company law enables it to undertake its statutory functions effectively

A priority over the last two has been facilitating the transition of the Office of the Director of Corporate Enforcement (ODCE) to the Corporate Enforcement Authority (CEA). The CEA was established in July 2022 under the Companies (Corporate Enforcement Authority) Act 2021.

Current position

The importance of adequately resourcing the CEA is set out in the Implementation Plan arising from the Hamilton Review Group and the pre-legislative scrutiny report on the Corporate Enforcement Authority Bill. The Department is prioritising the staffing and budgetary resources necessary for the CEA. The total increase in the overall headcount for the new CEA will be nearly 50% over previous levels.

Budget 2022 increased the ODCE's allocation by €1.6 million to €7.75 million in preparation for the establishment of the new Authority. The increase in the CEA's annual budget for 2023 of €1.086m (+14%) to €8.836m signals continued commitment to ensuring the CEA has the requisite resources required to deliver on its statutory objectives. The Unit is also working with the CEA to enhance the powers available to the Agency.

Development of policy on personal injuries resolution and monitoring of the Personal Injuries Assessment Board (PIAB)

The Company Law Enforcement and Personal Injuries Policy Unit leads on policy regarding personal injuries resolution and has policy responsibility for the legislation underpinning PIAB.

The Unit has worked with the Department of Finance to lead on the development and implementation of the Action Plan for Insurance Reform. The Sub-Group on Insurance Reform was established in 2021 under the Cabinet Committee on Economic Recovery & Investment and is chaired by the Tánaiste. The Minister for Trade Promotion, Digital and Company Regulation is a member of this Group.

Current position

Approximately 90% of the actions in the Action Plan are now complete. Recent CSO data shows a downward trend in motor insurance prices, which are now 43 per cent lower than their peak in July 2016 and are showing a 10 per cent reduction year-on-year. This ongoing improvement, at a time of overall price rises, indicates that these actions have laid a solid foundation for change, and are delivering positive outcomes for consumers. In light of the current inflationary pressures, it is now vital that all savings from the reform package are passed on to customers, so that the full benefits of the Action Plan are realised.

The Unit has also developed the Personal Injuries Resolution Board Bill 2022, published on 2 August 2022, which is an action of the Action Plan. The Bill amends the Personal Injuries Assessment Board Act 2003-2019 to facilitate an increase in the number of personal injury claims that may be resolved through the Board's cost-efficient process and without recourse to litigation.

Next steps

The personal injuries legislation is a priority and second stage in the Seanad was completed on 22nd November with Committee and remaining stages completed on 6th December.

The Act is now with the President for signature. Commencement orders are being drafted. Intention is for phased commencement over the coming months. The focus in 2023 will be on commencing the Act and transforming PIAB into the PIRB.

The Subgroup on Insurance Reform will continue its work in 2023 overseen by the dedicated Cabinet Committee sub-group. It will continue and will actively reviews developments in the sector, monitors price changes and actively engages with stakeholders to resolve issues in the market.

Ensure Ireland has an effective auditing and assurance regime

The Company Law Audit and Accounting Policy Unit engages at national and EU level in the areas of financial and non-financial reporting and auditing. It ensures Ireland has an effective auditing and assurance regime resulting in comparable, proportionate and quality reporting standards through legislative reform and supervisory oversight. The Unit also supports the Irish Auditing and Accounting Supervisory Authority (IAASA) through budget management and staff sanctioning etc.

Current position and next steps

The Unit is focussed on four legislative exercises at different stages of maturity:

1. A priority piece of primary legislation is being developed to modernise the Limited Partnership Act 1907 and the Registration of Business Names Act 1963. A General Scheme of Bill is at an advanced stage of development to reform the legislation, some of which dates back over one hundred years. The legislation would address criticisms and questions raised arising from the Pandora Papers on the transparency and use of limited partnerships. A General Scheme will be proposed to the Minister in Q1 2023.
2. The EU Cross-Border Conversions, Mergers and Divisions Directive must be transposed by 31 January 2023. It amends the provisions of earlier EU law to meet the objective of an internal market without internal borders for companies, and to reconcile this with the objective of social protection. Additional rules provide for rights to information and participation for employees, and protection for members and creditors. Work is ongoing on the finalisation and settlement of the statutory instrument by the Office of Parliamentary Counsel (OPC) to transpose the new rules.
3. A new Corporate Sustainability Reporting Directive has concluded its development at EU level and been formally adopted. The Directive will require certain sized companies to report annually on their sustainability practices and be audited for such. Member states will have just 18 months to transpose the new rules and the Unit has commenced its preparations for transposition. Ireland has been ambitious for the Directive to ensure it is impactful and it forms an element of the Department's agenda for responsible business behaviour. There is also a Private Members Bill on the books on emission reporting by companies.
4. Instructions are with the OPC for settlement to transpose the Country-By-Country Reporting (CBCR) Directive. Ireland supported the Directive although had strong reservations concerning its introduction as a company law instrument rather than a tax instrument. The Directive requires multinational and standalone entities with a consolidated revenue over EUR 750 million for two consecutive years to publicly disclose certain information (including details as to revenues,

number of employees and amount of tax paid) in respect of their activities in each EU member state, as well as in certain third countries. EU member states are required to transpose the CBCR Directive into national law by 22 June 2023.

Modernise legislation relevant to the Co-Operative Sector in Ireland and monitor Directive on Corporate Sustainability Due Diligence

There is no specific legislation which provides for co-operatives in Ireland. A priority for the Company Registration and Regulation Policy Unit is to modernise the legislation relevant to the Co-operative sector in Ireland which dates back to the 1880s. A General Scheme has been in development for over two years and sets out the most far-reaching reform in this area for over a century. By providing a modern legal framework, which will create a level playing field with companies, the proposed legislation aims to encourage the consideration of the co-operative model as an attractive formation option for entrepreneurs and also for social and community activities.

The Unit is also monitoring a proposal for a Directive on Corporate Sustainability Due Diligence (CSDD), which was published by the European Commission on 23rd February 2022 and addresses corporate behaviour and due diligence processes for the companies within its scope. The proposal focuses on establishing a system within company law and corporate governance to address adverse human rights and environmental impacts arising from companies' own operations, their subsidiaries' operations and their “chain of activities” (essentially their supply chain). Ireland has been supportive of the objective of the proposed Directive and has been working to ensure that the proposal is ambitious and strikes the right balance by providing effective protections for stakeholders whilst ensuring that the measures to be implemented by companies are clear, proportionate, and enforceable.

Current position and next steps

The General Scheme of the Co-operative Societies Bill was approved by Government in November 2022. The General Scheme, RIA and related material has been published on the Department’s website. The General Scheme has been referred to the OPC for drafting. Given the size and complexity of the Scheme, a drafted Bill is not expected before the latter part of 2023. The General Scheme has also been referred to the Joint Committee on Enterprise, Trade and Employment for pre-legislative scrutiny.

The Competitiveness Council agreed a general approach on the CSDD at its meeting on the 1st December and the proposal now moves to trilogue discussions involving the Council, the European Commission and the European Parliament. An agreed final Directive is not expected until the latter part of 2023. Thereafter, member states will have two years to transport the Directive.

Ongoing review of the Companies Act 2014 and support for the Company Law Review Group (CLRG)

The CLRG is a statutory advisory body charged with advising the Minister on company law matters. It has representation from a broad range of stakeholders. The Company Law Review Unit provides secretariat support to the Group. The CLRG works according to a two-year work programme, agreed by the Minister, to review company law and advise the Minister accordingly. The term of office of the current membership commenced recently and the Group has started its 2022 – 2024 work programme. Meetings of the various sub-committees as well as plenary meetings of the CLRG are ongoing.

Current position and next steps

In terms of future legislation, the Unit wishes to progress a number of discrete but important changes to the Companies Act. A separate proposal and briefing will be made to the Minister in due course. In summary, the proposed Companies (Administration, Governance & Insolvency) Bill would deal with:

[redacted]

[redacted]

Company Law Developments in the European Commission

On 7th December 2022 the European Commission adopted a proposal for a Directive on harmonising insolvency regimes to create common standards across all regimes thus facilitating cross border investment. The three areas of focus will be:

a. Recovery of assets from liquidated estate
b. Efficiency of liquidation procedures, including a self-administered liquidation procedure for micro-companies
c. The predicable and fair recovery and distribution of recovered value of assets, including enhanced transparency on ranking of claims.

Company Law Review Unit will analyse the Commission's proposal and will conduct a public consultation as part of Ireland's national scrutiny. A separate briefing note will be prepared for the Minister.

In addition, the *European Union (Dematerialised Securities) Regulations* will make discreet amendments to the Companies Act 2014 to provide for dematerialisation of securities under the Central Securities Depository Regulations (EU) No 909/2014 (CSDR) – dematerialisation means replacing paper-based securities certificates with an electronic book-entry system. The draft regulations are currently with the OPC for legal scrutiny and settlement with a view to commencing them on 1 January 2023 so that there is clarity on the manner in which the CSDR will apply in Ireland.

Ensure the effectiveness of the internal controls in place across the Department

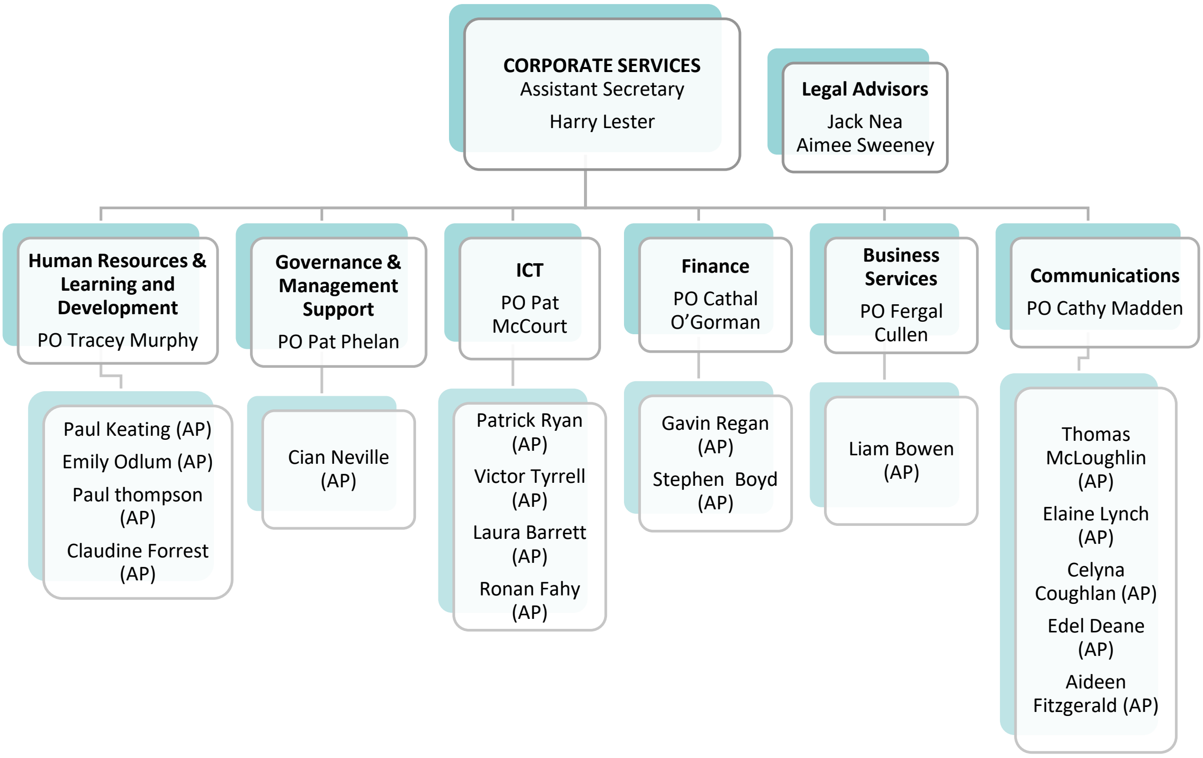
Internal Audit Unit's primary objective is to provide independent assurance to the Secretary General on the effectiveness of the internal controls in place across the Department. Internal Audit reviews the internal control system of the Department, financial or otherwise, including risk management and governance to help it achieve its objectives by providing risk-based and objective assurance, advice and insight. Internal Audit Unit also bring awareness to the risk of suspected fraud across the organisation and is responsible for updating the Department's fraud policy.

Recent Court of Justice of the European Union (CJEU) Ruling on Beneficial Ownership

EU wide anti-money laundering legislation underpinning the Register of Beneficial Ownership (RBO) requires companies and Industrial and Provident Societies to register certain information in respect of their beneficial owners. While policy and legislative responsibility rests with the Minister for Finance. The RBO is administered via the Companies Registration Office. Access to the RBO Register had been available to a number of competent authorities; a 'designated person' (mostly in financial institutions) and a member of the public.

On 22nd November 2022, the CJEU ruled that providing such extensive information to the public transgressed EU privacy laws. The Registrar, along with many other EU registrars, suspended access to the Register in Ireland until an IT solution was developed. On 9th December access was restored in a manner respecting the CJEU's ruling – essentially limiting the information previously available to the public. The impact of the ruling limits the high degree of transparency previously afforded to the public. The Commission and EU MS (Department of Finance for Ireland) are considering what action to take on foot of the ruling including legislation.

3.8 Corporate Services Division



ROLE OF CORPORATE SERVICES DIVISION:

The role of Corporate Services Division is to support the Department to deliver on its strategic goals. This is done through HR and Learning & Development supports, finance, budget and accounting services, ICT supports, legal advice, internal and external communications, governance and management support services, and facilities (accommodation, health and safety, procurement, records management). Many of these functions are underpinned by various national and EU rules and legislative requirements and feature in annual audits by the Comptroller and Auditor General as part of the Department's Appropriation Account.

THE KEY PRIOIRITES FOR THE CORPORATE SERVICES DIVISION INCLUDE:

Corporate Services have been modernising over recent years and the Department is well-positioned as a leader within the Civil Service in many aspects of strategic corporate services. In particular, the Department has ambitious strategies in the areas of:

- People Strategy 2021-2024 (including strategic workforce planning and HR business partnering)
- ICT Strategy 2020-2025 (Enabling Digital & Data Agility)
- Communications Strategy 2022-2023

The Department has also developed important policies in recent months that will guide the work practices and culture of the Department into the future. For example, an Equality, Diversity and Inclusion Policy Statement was recently produced. The Department published its Blended Working Policy in June 2022 and is currently processing application from staff for blended work patterns. The Department has adopted a flexible approach, with staff permitted to work at home up to three days per week, where the needs of the business allow. Implementation of work practices that make hybrid working a success is the central priority and challenge for the Corporate Services Division.

This includes optimisation of our accommodation, climate emissions reduction, team working arrangements and ICT supports.

Corporate Services Division also manages the Department's engagement with Civil and Public Service Renewal. The Department sits on the Public Service Innovation Advisory Board and convenes an internal cross-divisional staff committee (innovate@DETE). The Committee fosters and implements change from the bottom up and is chaired by the Secretary General. Various initiatives are progressed by this committee, including:

- Wellbeing initiatives
- Climate friendly practices
- Knowledge management initiatives
- Manager Guidelines
- iLabs (innovation labs) to help foster ideation, design thinking and implementation of innovations
- Mobility for staff in the regions

Further information on the Corporate Services functions is available on request.

Delivery of Department's ICT Strategy 2020 - 2025

The delivery of ICT services to the Department reflects the diversity of its remit, ranging from the provision of high-quality robust ICT services to our staff and Ministers, to the delivery of on-line services to clients of the Department. Customer facing systems include services delivered by the Companies Registration Office, the Workplace Relations Commission, the IPOI, the Labour Court, the Employment Permits Unit and the Export Licensing Unit. The Department's ICT Strategy 2020 – 2025 provides the framework for this activity and was published in November 2020, with a vision for the Department "to be a leader among its peers through the consistent delivery of innovative digital and data solutions and services". The Strategy contains 59 actions in total, spread across a number of high-level objectives:

- **Cloud First**: Adopt a cloud first approach for service deployment across the Department.
- **Customer Engagement**: Enhance engagement between the ICT Unit and its internal customers including adopting a more innovation led approach.
- **Digital by Design**: Support enhanced introduction and delivery of digital services across the Department using a customer led approach.
- **Data**: Implement a data programme to improve service and use data by design as a key element of all new solutions.
- **ICT Governance**: Put in place enhanced governance arrangements to drive and oversee implementation.
- **Managing ICT Operations**: Continue to build best practice principles to deliver a robust, secure and effective ICT service.

Modernisation of Key Business Systems

The Department has a number of key systems supporting customer facing services. A number of these have been modernised in recent years, but a number, particularly the Employment Permits Service, Export Licensing Service, and the Labour Court are still dependent on legacy technologies which are not optimal for the delivery of next generation end to end digital services.

A significant programme of system redevelopment will be taking place over the next 18 months to modernise these services. A contract is in place for the redevelopment of the Labour Court system and system design work is in hand. A tender has been accepted for work on the Work Permits system and system design will commence shortly. A tender to put in place a development team for the Export Licensing Service is expected to issue before the end of 2022. This development team will also form the basis for a more agile approach to the system development needs of the Department going forward.

Ensure Effective Communication with our Stakeholders and Staff

The Department engages with a broad range of stakeholders: its Minister and Ministers of State, Government, the Oireachtas, companies, employers, employees, consumers, international organisations and other government bodies.

Each strand of the Department's work has a story that can be told to a range of external audiences, be that a specific industry, a group of workers, a cohort of consumers or the general public. It is critical that the Department's communications are segmented and targeted at the right audiences. Our Corporate Communications Unit has developed a Communications Strategy, which sets out the Department's communications objectives and structures. In addition, reflecting the enhanced use of digital media in recent years, the Department also has a Digital Communications Strategy in place. We ensure that our staff are kept informed through our newly redesigned internal website, *BoB.*

Facilitate Strategic Planning and Management in the Department and ensure our Governance and Political Reporting Obligations are met.

The Department's Management Board is responsible for taking collective decisions on key policy, strategic and operational issues before submission for consideration at political level and for approving a new Statement of Strategy for submission to the Minister, within six months of appointment. The operation of the Management Board is supported by the Governance and Management Support Unit, which also coordinates development of the Strategy Statement, prepares the Department's Annual Reports, and ensures that our corporate governance and political reporting obligations are delivered.

Section 4: Offices and Agencies of the Department

4.1 Introduction

The Department currently funds and staffs six discrete Offices. In addition, it funds eight Agencies[6] and 31 Local Enterprise Offices. The Offices of the Department are staffed by civil servants, who are employees of the Department. These staff are subject to the same values, standards and behaviours for Civil Servants which apply to other employees of the Department.

Each of these Agencies is established under primary legislation, which sets out the functions of the Agency. Responsibility for the delivery on the mandate and functions of an Agency rests, in the first instance, with its Board and the Chairman of the Agency and the Chief Executive.

LIAISON ARRANGEMENTS AND OVERSIGHT

The Secretary General, as Accounting Officer, ensures that the appropriate monitoring systems and procedures are in place for oversight of the Bodies under the aegis of the Department and the Offices of the Department and this is carried out through Liaison Units which are assigned responsibility in respect of individual Offices and Agencies.

MEMORANDA OF UNDERSTANDING (MOU) AND OVERSIGHT AND PERFORMANCE AGREEMENTS (OPDAS)

The Department and each Office agrees, on an annual basis, a Memorandum of Understanding (MOU)which act as a performance contract between the Department and the Office. These MOUs which are jointly signed off by the Secretary General of the Department and the Head of each Office, set out agreed levels of performance / service in respect of the Body for the relevant year. These also allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators including milestones to measure performance against targets.

The Department and each Agency agrees, on an annual basis, an Oversight and Performance Agreement (OPDA) which acts as a performance contract between the Department and the Office. These OPDA's, which are jointly signed off by the Secretary General of the Department and the Head of each Agency, set out agreed levels of performance/service in respect of the Body for the relevant year. These also allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators including milestones to measure performance against targets.

4.2 Offices

The Department includes six discrete Offices as part of its integral structure and a short description of each is set out below:

[6] PIAB is a self-funding Agency.

INTELLECTUAL PROPERTY OFFICE OF IRELAND (IPOI)
CONTROLLER: JAMES KELLY

The Intellectual Property Office of Ireland (IPOI) (formerly the Patents Office) is an independent statutory office under the control of the Controller of Intellectual Property and is responsible for the grant and registration of intellectual property rights in Ireland, specifically patent, trademark and industrial design rights. IPOI's end of year headcount figure for 2022 is 48 and is headquartered in Kilkenny.

The IPOI provides input to the Intellectual Property Unit of the Department in the drafting of certain legislation and in the formulation/implementation of policy in relation to the development of the system of intellectual property protection.

The IPOI is due to submit to the Minister for consideration and publication its new Statement of Strategy for 2023-2025 and Customer Service Strategy shortly.

COMPANIES REGISTRATION OFFICE (CRO)
REGISTRAR: MAUREEN O'SULLIVAN

The CRO is the authority for the incorporation of new companies and registration of business names and Limited Partnerships in the Republic of Ireland. The Office is also responsible for the receipt and registration of post incorporation documents, enforcement of the filing requirements of companies, and provision of information to the public.

REGISTRY OF FRIENDLY SOCIETIES
REGISTRAR: MAUREEN O'SULLIVAN

The Registry of Friendly Societies is a statutory independent office responsible for the registration of industrial and provident societies (co-operatives) and trade unions. The office is also responsible for the receipt and registration of post incorporation documents from co-operatives, trade unions and friendly societies and the provision of information to the public.

REGISTRAR OF BENEFICIAL OWNERSHIP OF COMPANIES AND INDUSTRIAL AND PROVIDENT SOCIETIES
REGISTRAR: MAUREEN O'SULLIVAN

The Registrar of Beneficial Ownership of Companies and Industrial and Provident Societies is a statutory independent office responsible for the registration of information on beneficial owner(s) of companies and industrial and provident societies the enforcement of filing obligations and the provision of information to the public and to competent authorities.

LABOUR COURT
CHAIRMAN: KEVIN FOLEY

The Labour Court provides a free, comprehensive service for the resolution of industrial relations disputes and is the sole appellate Body under employment rights legislation. Determinations of the Labour Court arising under employment rights legislation are legally binding on the parties but may be appealed to the High Court on a point of law.

In Industrial Relations disputes, the Labour Court operates as an industrial relations tribunal, hearing both sides in trade disputes and then issuing Recommendations, setting out its opinion on the dispute and the terms on which it should be settled. While these Recommendations are not binding on the parties concerned, the parties are expected to give serious consideration to the Court's recommendation. Ultimately, however, responsibility for the settlement of a dispute rests with the parties.

WORKPLACE RELATIONS COMMISSION (WRC)
CHIEF EXECUTIVE: LIAM KELLY
CHAIR: DAVID BEGG

The activities of the Workplace Relations Commission (WRC) are concerned both with facilitating and assisting workplace change and creating an environment of equity and fairness in employment. The WRC has a broad range of functions including industrial relations advisory and conciliation services and the resolution of industrial relations disputes of interest between employers and workers across the public and private sectors.

The WRC provides comprehensive early resolution, mediation and adjudication services in relation to the full spectrum of employment rights and equality cases. It carries out workplace inspections to ensure the employment rights of workers and responsibilities of employers are respected and it has an enforcement function in relation to breaches of employment legislation.

EMPLOYMENT APPEALS TRIBUNAL (EAT)
CHAIRMAN: KATE O'MAHONY

The Employment Appeals Tribunal (EAT), as part of the Workplace Reform programme, is being wound down. The functions of the EAT were transferred to the WRC in October 2015 and the body (EAT) is now only dealing with legacy cases. There are less than 15 legacy cases remaining to be heard by the EAT. Once all cases have been dealt with then the EAT will be dissolved in accordance with the provisions of the Workplace Relations Act 2015.

4.3 Agencies

DETE funds eight agencies and, through Enterprise Ireland, supports the work of 31 Local Enterprise Offices and the Design and Crafts Council of Ireland.

IDA IRELAND
INTERIM CEO: MARY BUCKLEY
CHAIR: FRANK RYAN

(MARTIN SHANAHAN, FORMER CEO IS CURRENTLY ON GARDENING LEAVE)

IDA Ireland is the Department's inward investment promotion agency and works – through its domestic operations and offices abroad – to attract foreign direct investment (FDI). The Agency partners with potential and existing investors to help them establish or expand their operations in Ireland, with the aim of job creation and increased expenditure in the Irish economy. IDA Ireland supports investment throughout all regions of Ireland, including through the provision of strategic property solutions.

Headquartered at 3 Park Place, Dublin 2, IDA Ireland has a national network of eight regional offices throughout the country. The Agency also operates 19 overseas offices across four main territories including North America, Asia/Growth Markets, Europe and the UK. The IDA's headcount is 337 and this figure includes Irish based staff, expatriate staff and locally hired staff in its offices abroad.

IDA Ireland has approximately 1,700 clients across key sectors including Medical Technology, Pharmaceuticals, Financial Services, Life Sciences and Information and Communications Technology (ICT). The Agency supports clients who are considering investing or expanding in Ireland through a range of different means including:

- Financial supports in the form of employment, capital, research and development, environmental and training grants.
- The provision of turnkey property solutions in regional locations through the IDA Regional Property Programme (RPP).
- Showcasing Ireland as a place to invest through the organisation of site visits and face to face meetings with key stakeholders from government, multinational companies and financial institutions. The IDA also organises networking and information events with industry associations, chambers of commerce, recruitment firms, third level institutions, research bodies and professional service providers.

The employment results for IDA clients were announced on 14th December by the Tánaiste.

- Numbers directly employed in multinational sector in Ireland now 301,475, the highest Foreign Direct Investment (FDI) employment level ever and a 9% increase on 2021.
- 32,426 gross new job gains in 2022 – 24,019 net jobs.
- 242 investments won in 2022.
- 103 of the 242 investments won in 2022 were new name investments.
- 127 (52%) of the 242 investments won went to regional locations.
- The strong growth in regions continued this year with employment growth recorded in every region of the country.
- With sustainability one of five pillars of IDAs current strategy, IDA's strong focus was evident in the number of sustainability project approvals in 2022 with 21 investments secured, most of them focused on climate change mitigation.

ENTERPRISE IRELAND (EI)
CEO: LEO CLANCY
CHAIR. TERENCE O'ROURKE

Enterprise Ireland (EI) is the Department's main agency for developing Irish business. EI's primary goal is to start, scale, and internationalise Irish business.

Headquartered in Eastpoint Business Park, Dublin 3, EI also has a national network of nine regional offices throughout Ireland and 40 international locations, facilitating access to more than 60 countries worldwide. Enterprise Ireland's end of year headcount figure for 2022 is 768. This figure includes Irish based staff, expatriate staff and locally hired staff across the network of international offices.

EI has approximately 4,300 clients and delivers a range of supports across key sectors e.g. Food and Beverage, Industrial, Life Sciences, ICT and International Services.

EI at a glance:

- 207,894 people employed in EI client companies.

- 20,342 new jobs in EI client companies created in 2021 with 11,911 net jobs created (58.6% employment growth overall).
- 2021 was a positive year for regional job-creation with EI results showing employment growth in every region between 4% and 9%
- 68% of client employment outside Dublin
- EI client exports of €27.292bn in 2021
- Total direct spend in the Irish Economy by EI clients was in the region of €31.339bn in 2021.

Local Enterprise Offices

The 31 Local Enterprise Offices (LEOs), located in the Local Authorities (LA) nationwide are the 'first-stop-shop' for advice and guidance, financial assistance and other supports for anyone intending to start or grow a business. Policy, funding and legal responsibility rests with DETE through Enterprise Ireland (EI). A Service Level Agreement is in place between EI and each LA, which sets out respective roles and responsibilities.

The LEOs can offer direct grant aid to microenterprises (up to 10 employees) in the manufacturing and internationally traded services sector which, over time, have the potential to develop into strong export entities. A pilot framework to extend the mandate of the LEOs to provide grant aid to companies with over 10 employees in the manufacturing and international traded services sectors is currently being rolled out with funding of €2 million in place.

The LEOs also provide a 'signposting' service in relation to all relevant State supports available through agencies such as Revenue, the Department of Social Protection, Education and Training Boards, the Credit Review Office and Microfinance Ireland. The LEOs can also offer advice and guidance in areas such as Local Authority rates, Public Procurement and other regulations affecting business.

LEOs at a glance:

- 35,729 people employed in LEO client companies.
- 7,440 new jobs in LEO client companies created in 2021 with 2,999 net jobs created (9% employment growth overall).
- 84,7% of all new jobs were created outside Dublin
- 92,5% of client employment outside Dublin.

Design and Crafts Council of Ireland

CEO: ROSEMARY STEEN

The Design and Crafts Council of Ireland (DCCoI) is a registered private company limited by guarantee that promotes craft and design activities in Ireland. From the Department's perspective design is an intrinsic part of the innovation agenda and the wider enterprise development agenda, and critical to particular emerging and growth sectors including medical devices, professional services, digital/media/gaming and the wider creative sectors, as well as to business production and service systems more generally. DCCoI receives funding through EI for the purpose of promoting crafts and design initiatives in Ireland.

NATIONAL STANDARDS AUTHORITY OF IRELAND
CEO: GERALDINE LARKIN
CHAIR: JAMES KENNEDY

The National Standards Authority of Ireland (NSAI) is a statutory non-commercial State body, to manage the policy instruments of Standards, Metrology and Conformity Assessment. NSAI represents Irish interests in European and International Organisations that work towards technical harmonisation and removal of technical barriers to trade and is notified as the National Standards body for Ireland under EU Regulation 1025/2012 on European Standardisation.

NSAI's expected end of year headcount figure for 2022 is 199. NSAI is headquartered in Northwood, Santry, Dublin with 7 regional offices and two subsidiaries, NSAI Inc., based in New Hampshire, USA which employs 20 staff, and NSAI Certification UK Limited, with a staff allocation of five. The main responsibilities of the Authority include Standards Development, Certification Services, and the Legal Metrology Service. In addition, throughout 2022, NSAI has been actively involved in helping deliver Government priorities in the areas of Housing for All, Climate Action, and Digital Transformation.

Apart from its Standards work, the NSAI provides knowledge-based services and technical support to Government, consumers, and industry, through the independent Certification of products, processes and services and Certification specific to the Construction industry, known as 'Agrément'. It is also responsible for both Legal and National Metrology functions, which ensures the accuracy of all measurements and measuring instruments used for trade and other purposes. NSAI also offers certification services in the US market through its subsidiary, NSAI Inc.

NSAI at a glance:

Title of Indicator	2022 Output Target	2023 Output Target
Total no. of premises visited by NSAI Legal Metrology	5,000	6,500
Total no. of Medical Devices CE Product Approvals maintained	250	250
Total no. of Construction Products CE Approvals maintained	975	975
Total no. of regulatory approvals issued - Automotive	8,700	8,900
Total no. Measurement Instrument Calibrations	4,650	4,800
Total number of standards published annually	1,300	1,300
Total Management System Certificates issued (Built Environment)	3,440	3,580

HEALTH & SAFETY AUTHORITY (HSA)
CEO: INTERIM CEO MARK CULLEN
CHAIR: TOM COUGHLAN

The principal functions of the Health and Safety Authority are to monitor and enforce compliance with occupational health and safety law, to provide information and expert advice to employers, employees and the self-employed, to promote workplace safety, health, welfare, education and training, to publish research on workplace hazards and risks and to propose new regulations and Codes of Practice to the Minister for Enterprise, Trade and Employment.

The Authority is also responsible for the administration and enforcement of more broadly based chemicals legislation, including REACH, CLP and Seveso and incorporates the Irish National Accreditation Board (INAB), which has responsibility for the accreditation of laboratories, certification bodies and inspection.

CORPORATE ENFORCEMENT AUTHORITY (CEA)
SOLE MEMBER AND CEO: IAN DRENNAN

The mission of the CEA is to improve the compliance environment for corporate activity in the Irish economy.

The CEA functions include enforcing and encouraging compliance with company law; investigating suspected offences under the Companies Act; prosecuting detected breaches of the Companies Act; referring cases to the Director of Public Prosecutions for prosecution on indictment; and exercising a supervisory role over the activities of liquidators and receivers. Section 944D (4) of the Companies Act 2014 provides that the CEA shall be independent in the performance of its functions and the Minister has no function in respect of the CEA's day to day operations.

COMPETITION AND CONSUMER PROTECTION COMMISSION (CCPC)
CHAIR: JEREMY GODFREY

The Competition and Consumer Protection Commission (CCPC) is the statutory body responsible for enforcing consumer protection and competition law in Ireland and its mission is to make markets work better for consumers and businesses. It is an independent investigative and enforcement body and the Minister and Department are statutorily restricted from directing it especially in the area of competition law.

The CCPC is growing as additional functions are ascribed to it. It has assumed a post Brexit role for in-market surveillance of goods. It is gaining responsibilities under the Competition Act and Consumer Rights Act. It is likely to have a role under the new EU Data Act in respect of business-to-business contractual fairness. Its annual funding and sanctioned staffing levels have grown in recent years on account of these additional roles. Currently, mindful of cost of living increases, the Department is encouraging a more visible and active role by the CCPC in reminding consumers of their rights, and businesses of their consumer and competition obligations.

PERSONAL INJURIES ASSESSMENT BOARD (PIAB)
CEO: ROSALIND CARROLL
CHAIR: DERMOT DIVILLY

The Personal Injuries Assessment Board (PIAB) is an independent statutory Body which assesses the amount of compensation due to a person who has suffered a personal injury. PIAB was established to assess undisputed personal injury claims. In resolving these personal injury claims without the need for costly and lengthy litigation, PIAB has significantly reduced the cost of delivering compensation.

IRISH AUDITING & ACCOUNTING SUPERVISORY AUTHORITY
CEO: KEVIN PRENDERGAST

The mission of the Irish Auditing & Accounting Supervisory Authority (IAASA) is to contribute to Ireland having a strong regulatory environment in which to do business by supervising and promoting high quality financial reporting, auditing and effective regulation of the accounting profession in the public interest.

4.4 North/South Body

INTERTRADE IRELAND
CEO: MARGARET HEARTY
CHAIR: RICHARD KENNEDY

InterTradeIreland (ITI) is one of six North-South implementation bodies established under the Good Friday Agreement and is responsible for the promotion of trade and business on an all-island and cross-border basis. It is headquartered in Newry and employs 60 full time staff.

ITI operates under the oversight of the North South Ministerial Council and its two sponsor Departments which jointly fund it, i.e. DETE in Ireland and the Department for the Economy in Northern Ireland. It also collaborates with relevant State agencies on both sides of the border.

Section 5: Legislation

5.1 Published Bills and Priority Legislation

PUBLISHED BILLS	STATUS
Consumer Rights Act 2022 Legislation to give effect to Directive (EU) 2019/770 on contracts for the supply of digital content and digital services; Directive (EU) 2019/771 on contracts for the sale of goods; and to the main provisions of Directive (EU) 2019/2161 on the better enforcement and modernisation of EU consumer protection rules. It also consolidates and modernises consumer contract law.	The Commencement Order, along with the European Union (Requirements to Indicate Product Prices) (Amendment) Regulations 2022, was signed by the Tánaiste on 28th November. The Regulations came into effect immediately and the Act came into force on 29th November.
Sick Leave Act The Sick Leave Act 2022 ensures that all employees are entitled to a minimum level of financial compensation if they are unable to work due to illness or injury.	Regulations signed 29th November. Act will commence on 1st January 2023.
Payment of Wages (Amendment) (Tips and Gratuities) Act To amend the Payment of Wages Act to provide a legal entitlement for workers to receive tips and gratuities that are paid by customers in electronic form (i.e., debit or credit cards).	The Payment of Wages (Amendment) (Tips and Gratuities) Act 2022 came into effect on 1st December.
Employment Permits Bill The primary purpose of the proposed legislation is to consolidate the Employment Permits Acts, and to make certain amendments to modernise the employment permits system and increase its responsiveness.	Government approval was received on 25th July 2019. Second stage of the Bill occurred on 12 October and Committee Stage occurred on 30 November. Bill completion is expected in Q1, 2023.
Screening of Third Country Transactions Bill The purpose of this Bill is to develop an Investment Screening Mechanism which will empower the Minister to respond to threats to Ireland's security and public order posed by particular types of foreign investment, and to prevent or mitigate such threats.	Dáil Second Stage was successfully completed on 21 September 2022. Minor Government amendments are being finalised with the OPC.

Personal Injuries Resolution Board Bill 2022 To amend the Personal Injuries Assessment Board Act 2003-2019 to facilitate an increase in the number of personal injury claims that may be resolved through the Personal Injuries Assessment Board (PIAB) process and without recourse to litigation.	The Act has been signed by the President. Commencement orders are being drafted. Intention is for phased commencement over the coming months.

Autumn Session 2022

PRIORITY BILLS	STATUS
Control of Exports Bill 2022 The Bill will repeal and replace the Control of Exports Act 2008. The new legislation will ensure that Ireland has a comprehensive and robust framework for regulating the export of controlled goods, principally "Dual-use" and "Military" items.	The Dept expects to have a Memo for Government seeking publication of the Bill in January 2023.
Representative Actions for the Protection of the Collective Interests of Consumers Bill 2022 The purpose of the Bill is to give effect to Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC	The transposition deadline is December 2022 The JOC published its report on the General Scheme of the Bill on 2 December and DETE is examining its recommendations. The Directive will not be transposed on time, and it is anticipated that it will be proposed to Government in Jan/Feb 2023.
Credit Guarantee (Amendment) Act 2022 Bill to give the Min ETE powers to create a timebound guarantee scheme for loans to businesses impacted as a result of the invasion of Ukraine, and to increase the aggregate liability for contributions committed to the SBCI by relevant Ministers to fund delivery of future SME loan schemes.	Signed into law by President on 2nd December
Right to Request Remote Work Bill Framework around which requesting, approving or refusing remote work can be based.	Approval given by Government to integrate the Bill into the DCEDIY Work Life Balance (WLB) and Miscellaneous Provisions Bill 2022. The WLB Bill passed Report Stage and Final Stage in the Dáil on the 7 December and is at Seanad stage this week. Committee stage expected 18 January.

5.2 Other Legislation

OTHER DETE LEGISLATION	STATUS
[Scheme of] Co-operative Societies Bill (CCC) The purpose of the Bill is to consolidate and modernise the existing Industrial and Provident Societies legislation and to provide an effective and robust legislative framework for the diverse range of organisations using the co-operative model in Ireland.	Very comprehensive Bill involving consolidation and modernisation of legislation, some dating back to 1890s. The Bill also includes provisions to make it easier to set-up and operate co-operatives and introduces modern corporate governance, financial reporting and compliance requirements. Govt. approval received on 9th Nov for drafting of Bill and referral for PLS, scheduled for 14th December.
[Scheme of] Companies (Administrative, Governance & Insolvency Amendment) Bill (CCC) Primary purpose is to give effect to outstanding Programme for Government commitments on rights of workers as creditors; trading entities splitting operations; and transactional avoidance. It will also permanently provide for virtual AGMs along with additional corporate supervision and enforcement matters.	Following extensive engagement with relevant stakeholders c 50 miscellaneous amendments have been identified. The provisions largely relate to three distinct areas of company law 1) *administration*, 2) *governance* and 3) *insolvency*. Preparatory work on a General Scheme has commenced. It is intended to progress both company law and employment law actions arising under the *Plan of Action - Collective Redundancies following Insolvency* in the same Bill.
Industrial Development (Miscellaneous Provisions) Bill (IID) To provide that IDA Ireland would be permitted to establish and participate in corporate partnerships, with the sole purpose of developing critical industrial and commercial property in regional locations. This Bill also contains three additional unrelated amendments in respect of EI and the HSA.	It is intended to seek Government approval for the General Scheme of the Bill as soon as possible.
[Scheme of] Limited Partnership Bill (CCC) To reform the Limited Partnerships Act 1907, strengthening Ireland's regulatory framework and responding to concerns raised in relation to the transparency of Limited Partnerships.	A General Scheme of Bill is at an advanced stage with a view to seeking Government approval for drafting in Q1 2023. Policy formulation and consultation with legal advisor and relevant Departments and agencies is ongoing.
Living Wage Bill (ESCED) The Programme for Government includes a commitment to progress to a living wage over the lifetime of the Government.	A Memo went to Cabinet on November 15th and it was agreed by Government to progress to a National Living Wage (NLW). The NLW will be set at 60% of hourly median wages in line with the recommendations of the Low Pay Commission. It will be introduced over a four-year period and will be in place by 2026, at which point it will replace the National Minimum Wage.

Microfinance Ireland Bill (EUDAF) This new legislation is to provide for ownership of Microfinance Ireland (MFI) to pass from its current parentage, the Social Finance Foundation, to the Minister for ETE and to put in place the related governance structures.	A General Scheme of Bill is in preparation with the intention to bring to Government in early 2023.
Protection of Employees (Employers' Insolvency) (Amendment) Bill (WREM) To comprehensively review and update the legislation governing the protection of employees during their employer's insolvency.	It is intended to progress both company law and employment law actions arising under the Plan of Action on collective redundancies in the same Bill. DETE is developing detailed policy solutions in consultation with DSP and D/Justice. It is now considered a Memo to Government will be required to approve the policy on the various non-Plan of Action issues covered by the Bill prior to drafting the General Scheme.
[Scheme of] Registration of Trade Unions Bill 2021 (CCC) The purpose of the Bill is to modernise and consolidate the existing legislation in respect of the registration requirements for trade unions.	The Bill updates the existing legislation (Trade Union Acts 1871– 1990) and provides for all registration requirements in a stand-alone Act. The Bill is a modernising piece of legislation and is not expected to be contentious. Due to other legislative priorities, work on finalising a General Scheme is currently not progressing.

PMBs CURRENTLY PROGRESSING THROUGH THE OIREACHTAS	STATUS
Irish Corporate Governance (Gender Balance) Bill 2021 (CCC)	This Bill is aimed at ensuring at least 40% gender balance on boards of companies. It was introduced by Deputy Emer Higgins (FG) on 6th October 2021 (1st stage). The Bill was supported by Government at 2nd Stage on 7 July as it is in line with a forthcoming Directive in improve gender balance among company directors of listed companies. The Deputy has agreed to progress the Bill subsequent to the transposition of the Directive.
Companies (Emission Reporting) Bill 2021 (CCC)	This Bill seeks to phase in requirements for companies (>50 employees) to make annual public disclosures in relation to their greenhouse gas emissions. It passed second stage in the Seanad on Wednesday 24 November. During the debate Senator Ruane indicated she will not be pressing forward with the next stages of the legislation in the coming months in light of EU developments in relation to a similar proposal for a Corporate Sustainability Reporting Directive
Memo for Gov in response to the PMB NSAI (Carbon Footprint Labelling) Bill 2021 – Jointly taken with MECC (ESCED)	The PMB seeks to confer functions on NSAI in relation to promoting the use of standard specifications and standard marks to give information about the carbon footprint of commodities, processes, and practices. Timed amendment of 12 months when it is expected the EC will have made progress in detailing the labelling and sustainability requirements to be introduced under the Sustainable Products Initiative. This means Committee Stage will be scheduled with effect from 17 Nov 2022 should Deputies Duncan Smith and Bacik pursue it.
Industrial Relations (Provisions in Respect of Pension Entitlements of Retired Workers) Bill 2021 (WREM)	This Bill seeks to make provision for enhanced representation of retired workers in relation to the administration of certain pension schemes. At second stage in June 2021, the Government went with a timed amendment of 12 months for Committee Stage. DETE not aware of any further update on the status of this PMB.
Workplace Ventilation (COVID-19) Bill 2021 (WREM)	The Government did not oppose the Bill. The HSA was asked to review the Bill and has recommended updating existing Regulations on workplace ventilation and the creation of a Code of Practice on Workplace Ventilation. This will achieve the objectives of the bill, allowing a mechanism to establish in-door air quality standards. DETE continues to progress the Regulations which will give effect to the Code of Practice when it is finalised.
Personal Injuries Assessment Board (Amendment) Bill 2022 (CCC)	Senator Rónán Mullen's Bill seeks to amend the PIAB Act to provide penalties for giving false or misleading information to PIAB. Government agreed not to oppose. Second stage taken February 9. Relevant legislative provisions which address the proposals in the PMB have now been incorporated into the PIRB bill.

Section 6: Implementation of EU Directives

The Department works to ensure the timely implementation of EU law by ensuring that EU Directives are transposed within the required deadlines. Failure to implement Directives properly and on time can lead to infringement proceedings and heavy financial penalties.

SUMMARY POSITION ON EU DIRECTIVES AS AT 13 DECEMBER 2022

SCHEDULED FOR TRANSPOSITION DURING 2022		
DESCRIPTION OF DIRECTIVE	**DEADLINE/ UNIT RESPONSIBLE**	**CURRENT POSITION**
Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on Transparent and Predictable Working Conditions.	01/08/2022 Unit: Employment Rights Policy Unit	The 1 August 2022 deadline for transposition has not been met. The AGO has confirmed that transposition can proceed by way of Regulations in lieu of primary legislation. Work is progressing within the Department to transpose the Directive as soon as practicable. Detailed engagement and drafting on the transposing Regulations with Parliamentary Counsel is ongoing. The EU Commission have issued preliminary reference of potential infringement proceedings on 20 September 2022 due to this Directive not being transposed by the deadline of 1 August. A reply was submitted in advance of the 20 November deadline.
Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers, and repealing Directive 2009/22/EC	25/12/2022 Unit: Competition & Consumer Policy Unit	Several iterations of the drafts have already been engaged upon with the OPC and drafting continues at pace. The transposition deadline is December 2022 The JOC published its report on the General Scheme of the Bill on 2 December and DETE is examining its recommendations. The Directive will not be transposed on time, and it is anticipated that it will be proposed to Government in Jan/Feb 2023.
Directive (EU) 2021/903 of the European Parliament and of the Council of 3 June 2021 amending Directive 2009/48/EC as regards specific limit values for aniline in certain toys.	04/12/2022 Unit: Competition & Consumer Policy Unit	The S.I. was signed by An Tánaiste on the 5th December.

EU DIRECTIVES TO BE TRANSPOSED BY END OF 2023		
DESCRIPTION OF DIRECTIVE	**DEADLINE/ UNIT RESPONSIBLE**	**CURRENT POSITION**
Directive (EU) 2019/2121 of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions	31/01/2023 Unit: Audit and Accounting Policy and Legislation Unit	Draft Regulations were submitted to OPC on 10 December 2021 for legal scrutiny and settlement. OPC recently advised that achieving the transposition deadline may be difficult due to competing legislative priorities they are dealing with. Officials will continue to engage and adjust resources internally as appropriate.
Directive (EU) 2021/2101 of 24 November 2021 amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches	22/06/23 Unit: Audit and Accounting Policy and Legislation Unit	Instructions, draft SI and correlation tables were submitted to the OPC for finalisation and settlement on the 8 November 2022. The transposition deadline of 22 June 2023 is expected to be met.

EU DIRECTIVES TO BE TRANSPOSED BY END OF 2024		
DESCRIPTION OF DIRECTIVE	**DEADLINE/ UNIT RESPONSIBLE**	**CURRENT POSITION**
Directive (EU) 2022/431 of 9 March 2022 amending Directive 2004/37/EC on the protection of workers from the risks related to exposure to carcinogens or mutagens at work	05/04/24 Unit: Safety, Health and Chemicals Policy Unit	Assessment has begun on transposition requirements. It is expected that the transposition deadline of 05 April 2024 will be met.
Directive (EU) 2022/2041 19 October 2022 on adequate minimum wages in the European Union.	15/11/24 Unit: Labour Market and Skills Unit.	Assessment has begun on transposition requirements. It is expected that the transposition deadline of 15 November 2024 will be met

CODIFIED DIRECTIVES[7] CURRENTLY AWAITING TRANSPOSITION		
DESCRIPTION OF DIRECTIVE	UNIT RESPONSIBLE	CURRENT POSITION
1. Directive 2004/37/EC on the protection of workers from the risks related to exposure to carcinogens or mutagens at work (Codified)	Safety, Health & Chemical Policy Unit	This codified Directive will be transposed following the adoption of all related Carcinogens and Mutagens Directives and Chemical Agents Directives.
2. Directive (EU) 2022/1999 on uniform procedures for checks on the transport of dangerous goods by road (codification)	Safety, Health & Chemical Policy Unit	Transposition requirements are being considered by the Department.

[7] Codification brings together previous legislation in a single new act. There are no timelines required for the transposition of codified Directives.