



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

Trade and Investment Report 2022

Contents

Chapter 1 - Ireland's Trade and Investment Performance	3
Chapter 2 – Trade & Investment Strategy 2022-2026 Value for Ireland, Values for the World ..	8
Chapter 3 – Trade and Investment Missions	10
Chapter 4 - The Global Impact of the Department of Enterprise, Trade and Employment	12
Chapter 5 – EU Trade Policy	24
Chapter 6 - The Department of Enterprise, Trade & Employment and its Agencies	29

Chapter 1 - Ireland's Trade and Investment Performance

1.1 Introduction

The Department of Enterprise, Trade and Employment is responsible for advising on and implementing the Government's enterprise policies and creating an environment which facilitates both employment creation and sustainability. The Department is also charged with promoting fair competition in the marketplace, protecting consumers and safeguarding workers.

Several policies and strategies inform the work of the Department, including our Trade and Investment Strategy "Value for Ireland, Values for the World", and the White Paper on Enterprise 2022-2030 which sets out the priorities for Irish enterprise policy in the period to 2030.

Both our exports and imports have more than trebled in value in 10 years to reach their highest ever values of €548 billion and €481 billion respectively, enabling Ireland to exceed the €1 trillion total trade figure for the first time in 2022 and achieve a trade surplus of €67 billion. These results are a testament to the strength and resilience of the Irish enterprise sector.

Ireland's economy is heavily dependent on international trade and this openness to trade, investment, people, and ideas is a national strength that helps create high value employment opportunities throughout Ireland. As a small open economy, market diversity is a key enabler of economic security, the more we diversify our trade relationships, the stronger our supply chains become and the more robust our ability to withstand global challenges will be.

A major pillar of the Departments work will be ensuring Ireland's interests are reflected to the maximum extent possible at EU, WTO and other international forums. The Department will continue to encourage Irish businesses to take full advantage of the EU Single Market and more fully utilise the extensive network of EU Free Trade Agreements.

1.2 International Trade

International trade and investment are enormously important to the Irish economy. As a small open economy, Ireland relies on external demand and international markets for sustainable and continued growth, and to maintain and create jobs across all regions of the country.

Our commitment to trade liberalisation has been key to our success in growing our exports and attracting foreign investment. In an increasingly competitive environment, and with more protectionist trade policies among several international partners, our economic fortunes rely on an outward-looking dynamic EU.

Value of Ireland's International Trade in 2022:

- Ireland's global trade reached a value of over €1,000 billion for the first time.
- Ireland's Exports increased by €83 bn (+18%), to reach a new record level of €548bn.
- Ireland's imports increased by €83 bn (+21%) to reach €481 bn.

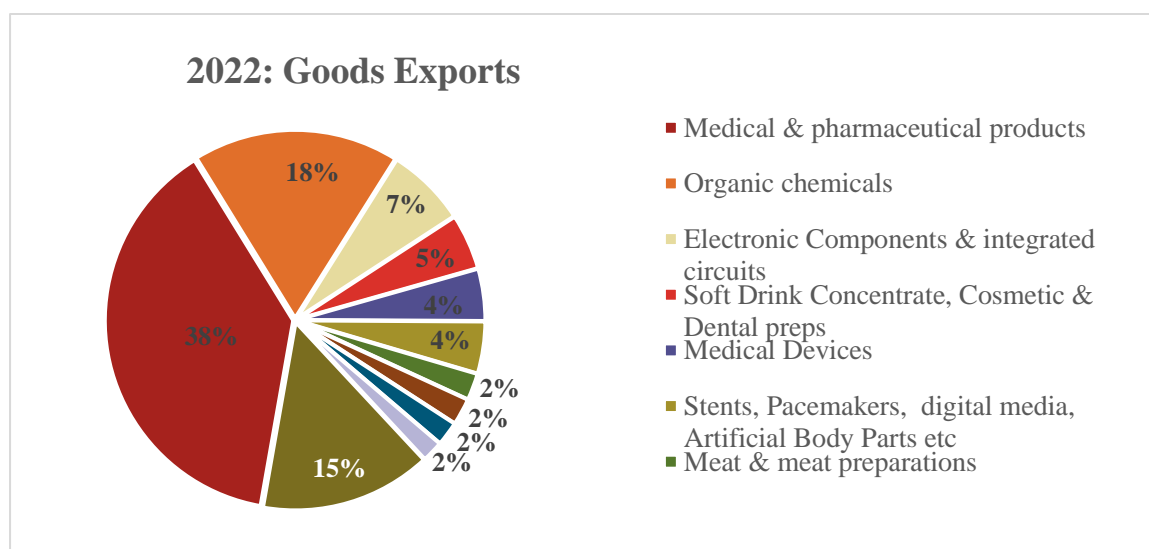


1.3 Goods Exports

In 2022 the value of Goods Exports increased by €43 billion when compared with the previous year, to €209 billion.

- The EU was the destination for 39% (€81bn) of Ireland's goods exports.
- The US was the largest single destination with 30% (€63bn) of total goods exports.
- Exports to Germany accounted for 12% and the UK for 11% of total goods exports in 2022.

Top 10 Goods Export Countries 2022			
Rank	Country	(€million)	% of total
Total Goods Exports		208,589	
1	United States	63,147	30.3%
2	Germany	25,239	12.1%
3	Belgium	17,604	8.4%
4	Great Britain	17,223	8.3%
5	Netherlands	14,340	6.9%
6	China	13,219	6.3%
7	France	7,166	3.4%
8	Northern Ireland	4,970	2.4%
9	Italy	4,549	2.2%
10	Japan	4,179	2.0%

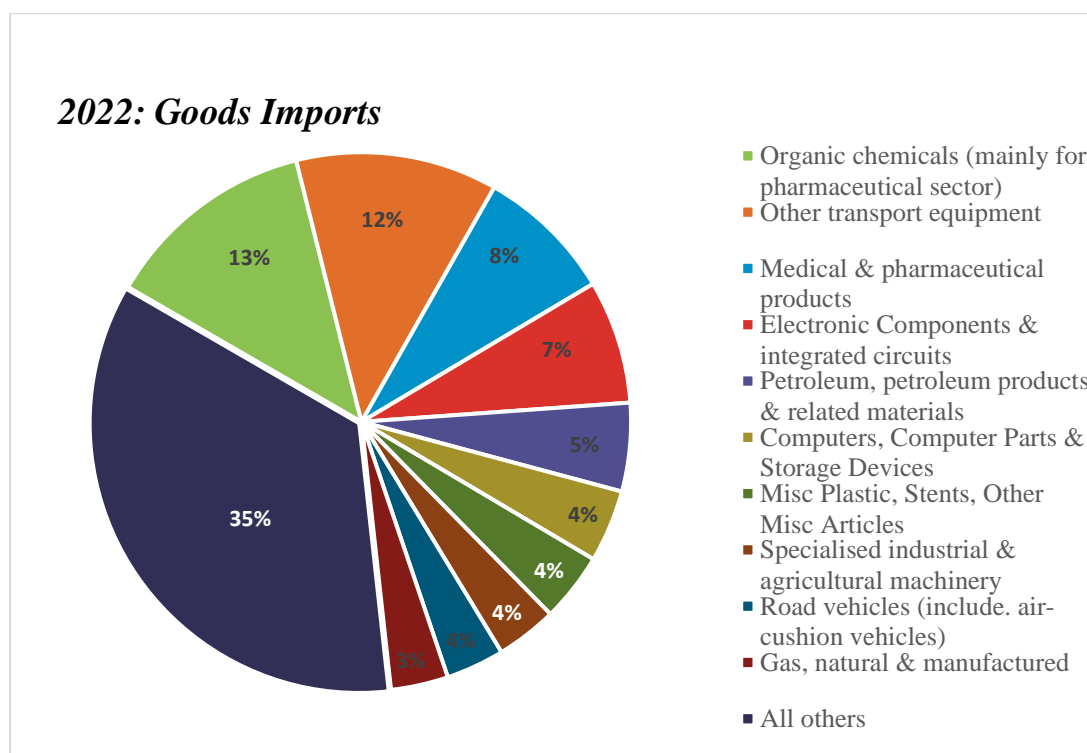


1.4 Goods Imports

Goods to the value of €141 billion were imported in 2022, €37 billion higher than in 2021.

- 30% of goods imports were from the EU at €42bn.
- The single largest source of goods imports was the UK at €29bn. 21% of total.
- 16% of goods imports were from the US at €22 bn.

Top 10 Goods Imports Countries 2022			
Rank	Country	(€million)	% of total
Total Goods Imports		141,012	
1	Great Britain	23,994	17.0%
2	United States	22,316	15.8%
3	China	14,429	10.2%
4	France	13,161	9.3%
5	Germany	10,532	7.5%
6	Switzerland	6,410	4.5%
7	Northern Ireland	5,426	3.8%
8	Israel	4,836	3.4%
9	Netherlands	4,742	3.4%
10	Japan	3,165	2.2%

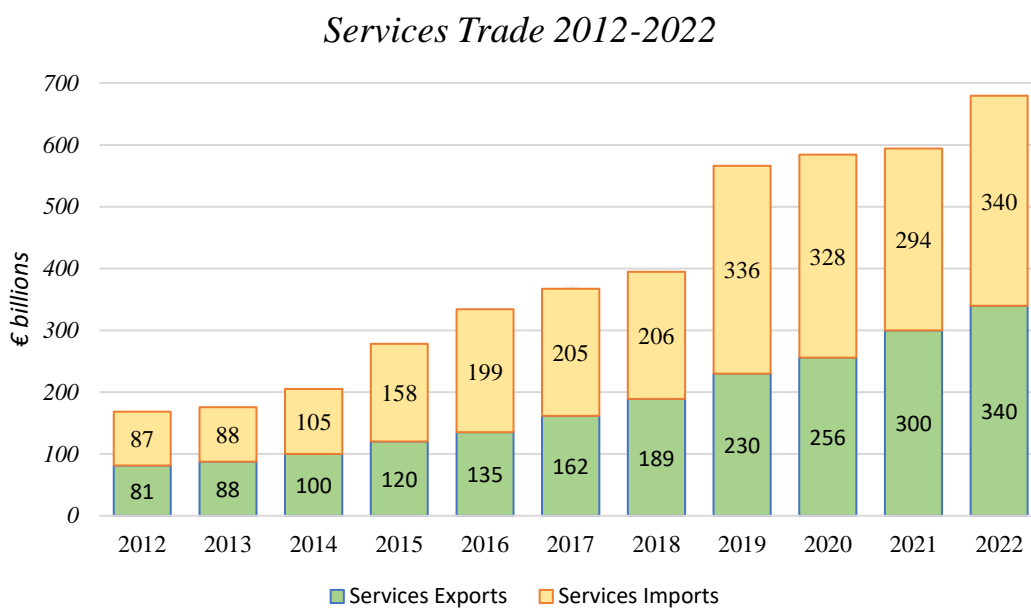


1.5 Ireland's Services Trade

In 10 years, Services exports from Ireland have grown from being lower in value than goods exports, to now exceeding goods exports by €129 billion.

Services exports and imports rose to their highest ever values in 2022.

The highest category of services exports is Computer Services (51% of total), and of services imports is Royalties/Licences (40% of total).



Chapter 2 – Trade and Investment Strategy 2022-2026 Value for Ireland, Values for the World

The Government adopted the new Trade & Investment Strategy 2022-2026 Value for Ireland, Values for the World on 22nd March 2022.

Delivery of the Strategy and priority actions will support Ireland in realising its trade and investment goals, increase exports sustainably, deepen and extend our trade relationships, grow quality employment and reinforce our economy.

A brief update on the priority actions are set out below:

Promote and enhance Ireland’s Economic and Trade and Investment ‘Ecosystem’

The aim is to focus attention on Ireland’s broader economic ecosystem in order to maintain and enhance competitiveness. There is a general understanding of the areas that need particular attention from the work of the National Competitiveness and Productivity Council and other bodies, however there is need to provide a simple visualisation of pressing issues and to track their status. Work is continuing to develop a simplified dashboard to display and track those areas that need particular attention, such as national infrastructure (physical and digital); sustainable and resilient energy; skills development; and international connectedness and competitiveness.

Review and Refresh the Local Market Teams

One of the priorities of the Strategy is to undertake a review of the State’s overseas Local Market Teams (LMT). LMTs include representatives of the Embassy and the relevant State agencies and Departmental staff, with the local Ambassador responsible for chairing. LMTs are in operation across all the world’s biggest economies and have become an important component in supporting Ireland’s international trade and investment, and in promoting and protecting Ireland’s values and standards.

The review of LMTs, setting out a principled-based approach to maximising collaboration, while respecting the mandates of each of the Team Ireland members was approved by the Trade & Investment Council at its meeting on 14 December 2022.

Positioning Ireland within Global Value Chains and Supply Chains

Ireland’s participation in global value chains and supply chains is critical to ensuring that Irish businesses remain resilient and agile. Under the direction of the Trade and Investment Council, an expert group was established to take stock of the evolution of Ireland’s position within GVCs and consider how best to deepen GVC participation for Irish firms into the future. The expert group will provide fresh perspectives in understanding the business-business relationships, mechanisms for increasing efficiency, productivity, competitiveness, entrepreneurship, and SME growth within GVCs. This is an important step to forward plan and position Ireland favourably in a rapidly changing environment.

Communicating Ireland's Interests as a Trading Nation

Openness to international trade and investment is the backbone of Ireland's economic success. However, communications and media coverage of trade related matters are generally tailored to a specialist audience, making it difficult for the general public to engage on trade-related matters. To encourage wider stakeholder engagement, a communications strategy will be developed to highlight the benefits of trade to the broader Irish domestic audience.

Maximising Ireland's Return from EU Free Trade Agreements

Promoting the benefit of the wide network of EU Free Trade Agreements is a priority action of the Trade and Investment Strategy.

A major conference is planned to promote market diversification and to raise awareness among business audiences of the value of FTAs.

Team Ireland - Trade Mission Week 2023

The objective of Team Ireland Trade Mission Week (TITMW) is to enhance the visibility and profile of Ireland in a particular destination market, similar to that achieved during the annual Saint Patrick's Day programme.

TITMW will be a once-a-year, multi-Minister and Taoiseach led trade delegation, to support the Government's drive towards market diversification and assist in the development and expansion of Ireland's exports.

Preparations for the inaugural Trade Mission Week 2023 and screening of a shortlist of destinations is underway.

Reaping the benefits of the EU Single Market

The Strategy recognises that opportunities across the Single Market can be further developed, especially in the area of services. To focus attention on the range and scale of opportunity within the Single Market, the Department collaborated with the Department Foreign Affairs in organising a major EU50 conference on Ireland and the Single Market in October 2022. Speakers included the Taoiseach, Minister Calleary, Minister Thomas Byrne, French European Affairs Minister Laurence Boone, Commissioner Mairead McGuinness and panels drawn from a cross-section of stakeholders from Irish and European economic, academic and political life.



Chapter 3 – Trade and Investment Missions

Trade Missions present an opportunity to reinforce Ireland’s global position as a stable location for investment, as well as promoting market diversification to Irish exporters, helping them to build scale and expand globally. 2022 saw nine trade and investment missions, led at Tánaiste and Ministerial level to multiple countries, including the US, Mexico, UK, Singapore, and EU Member States. Some highlights of the 2022 Trade Mission programme are set out below:

1. Copenhagen – LEO Pharma and Novo Nordisk – December 2022

The Tánaiste, led a the three-day joint EI / IDA trade mission to Copenhagen in December to position Ireland as an important trade partner for Denmark and the Nordic Region and used the opportunity to highlight the Nordic Region as an attractive source for FDI into Ireland. The delegation visited both EI and IDA client companies, reinforcing the strategic importance of the Nordic region and Denmark.



L-R: Henrick Wulff (Exe VP Novo Nordisk); Michael Lohan (IDA); Dr Orlaigh Quinn (DETE) ; Lars Fruergaard Jørgensen (CEO Novo Nordisk); Tánaiste Leo Varadkar; Owen Treacy (Novo Nordisk Ireland), Bernard Smith (IDA); Jerry O’Donovan (Embassy of Ireland)

2. Frankfurt – June 2022

In June, Minister Troy led a joint EI / IDA trade mission to Frankfurt, raising the profile of innovative Irish products and services and deepening relationships with new and existing IDA clients to secure further investment opportunities for Ireland. In addition to EI engagements, Minister Troy met with two IDA clients, Merck Group and Apleona.



L-R: Matthew O’Byrne White (IDA); Jochen Keysberg (CEO Apleona); Robert Troy TD ; Michael Engel (COO Apleona) ; Niamh Breslin (IDA).

3. Denmark – November 2022

Tánaiste Leo Varadkar lead an Enterprise Ireland and IDA trade mission to Denmark in November, boosting business collaboration between Irish and Danish businesses.



Front Row LTR: Svend Aage Jensen, Owner, Brørup Traktor- & Maskincenter; Bettina Møller-Hansen, Marketing & Services, Brørup Traktor- & Maskincenter; Dr. Orlaigh Quinn, the then Secretary General, Department of Enterprise, Trade and Employment; Darragh O’Carroll, Senior Market Advisor Nordics, Enterprise Ireland.

4. Singapore – November 2022

In November, Tánaiste Leo Varadkar led a joint Enterprise Ireland and IDA Ireland Trade Mission to Singapore - Ireland's largest trading partner in South East Asia.



5. USA – West Coast – April 2022

Tánaiste Leo Varadkar led an IDA Ireland and Enterprise Ireland US West Coast Trade & Investment Mission in April.



Chapter 4 - The Global Impact of the Department of Enterprise, Trade and Employment

4.1 Overview of 2022 and Continuing Challenges of International Trade

The social and economic recovery from COVID 19 which started in the latter half of 2021 had gained significant pace at the beginning of 2022. While countries began to emerge cautiously from their pandemic required lockdowns, there were clear indications that globally the worst of the pandemic was behind us. The European Union which had managed to effectively navigate the continent through the worst excesses of the pandemic and delivered a successful vaccine rollout began to refocus its attention to broader economic issues, however that focus was to be short lived, as Russia launched a brutal and illegal invasion of Ukraine on the EU's eastern frontier.

Russia's invasion of Ukraine brought war back to the European continent and it instigated the strongest of responses by the EU and others against Russia's brutal aggression. The EU commenced a programme of sanctions against Russia targeting Russian oil, coal, steel and preventing European goods including technology, aviation products, luxury goods and services being exported to Russia. The EU's sanctions remain in place and were supplemented with additional measures throughout 2022.

The global recovery following COVID 19, China's strict pandemic lockdowns, in addition to Russia's war in Ukraine and the economic impact of that action created considerable pressures on global supply chains. Across the globe, significant supply chain disruption was impacting everything, from the availability of every day food items, to semi-conductors for new appliances and technological devices and of course energy supply. These disruptions and general market uncertainty, compounded by the rising cost of energy saw the cost-of-living soar globally.

The political landscape throughout 2022 continued to be very challenging. Retaliatory tariffs and sanctions continued to dominate the US approach to China and relations between the two biggest global traders were at an all-time low and the EU finds itself having to steer a steady course between the two to avoid being caught up in the wake of their economic rivalry.

2022 saw a continued rise in distortive and coercive trade practices by third countries. Trade impacting issues such as economic nationalism, strategic autonomy, 're-shoring' or 'friend-shoring' added to the challenges facing global supply chains. Ireland and the EU's response in redoubling its efforts to support and strengthen the rules-based multilateral system has seen modest success, though the WTO's Ministerial Conference in June 2022 did provide some needed respite when members agreed to a new Fisheries Agreements on subsidies affecting illegal and unregulated fishing. A programme of work on WTO reform is underway with a view of progressing the issue in advance of MC13 in the Spring of 2024.

Ireland continued to support the EU's ambitious Free Trade Agenda which delivered some positive news with the successful conclusion of formal negotiations on the EU's Free Trade Agreements with

New Zealand and Chile. These Agreements once ratified will assist with the Union's objective to diversify its trading markets and establish strong trade links with like-minded partners.

Ireland's status, as a highly open, export-focused economy is particularly sensitive to economic shocks and a move away from open rules-based trade. Under these conditions, there is continued emphasis on ensuring that Ireland's interests are strongly represented and robustly defended, and reflected at national, European, and international level to ensure that the rebuilding of our economy and global demand is based on key principles that support jobs, job growth, competitiveness, productivity, innovation, and sustainability.

4.2 Brussels - European Union

Ireland's economy depends on a multilateral, rules-based system that supports our ability to trade around the world, in a fair and sustainable way. Trade in goods and services is a cornerstone of our national economy and this openness to trade, investment, people and ideas is a national strength that has helped transform our economy and society, creating high value employment opportunities throughout Ireland.

Our membership of the European Union for the last 50 years has enabled Ireland to benefit from the largest trade network in the world, with 45 applied trade agreements covering 77 partner countries. Ireland is keen to expand this network further.

Our staff, based at the Permanent Representation in Brussels, represent Ireland's trade interests at EU level through effective coordination and cooperation with the Department's Trade Division and colleagues in the Department of Foreign Affairs.

In Brussels, the main committee at which Ireland can discuss trade issues is the Trade Policy Committee (TPC). The Committee advises and assists the European Commission in negotiating agreements with 'Third Countries' or in international organisations in the area of the Common Commercial Policy. It also acts as one of the preparatory bodies in the decision-making process of the Council as regards EU trade policy.

The Brussels team play a key role in cooperating with our like-minded partners from fellow EU member states to grow our network EU Free Trade Agreements, which will support more opportunities for exports and investment. Ireland is also a strong advocate of a trade policy that promotes higher environmental and human right standards around the world and this can be seen with the successful adoption of the EU Council Conclusions on Trade and Sustainable Development (TSD) in 2022.

The Permanent Representation's Trade team is also a key point of contact for Irish industry stakeholders across a range of sectors who operate in Brussels and engage with EU institutions. The team has also played a key role in building relationships with current and prospective 'Third Country' trading partners with missions in Brussels including Canada, Australia, New Zealand and India. 2022 saw the successful political conclusion of Free Trade Agreements with New Zealand and Chile and work is ongoing to negotiate new agreements with India, Australia, Mexico and Indonesia.

Ireland's trade relationship with the US remains strong and dynamic. Our membership in the EU has played in attracting US companies to Ireland as a base to sell into Europe and other markets. Ireland strongly supports the EU-US Trade and Technology Council (TTC) as a valuable forum for engagement

to coordinate approaches to global trade and technology issues. 2022 witnessed two successful TTC summits hosted in France and the United States and provided much needed momentum to deepen transatlantic trade and economic relations based on shared democratic values, including respect for human rights. Ireland, through its engagement in the EU, welcomes American's ambitions for climate change and public investment for the transition to a green economy. Notwithstanding these positive developments, Ireland and its EU partners remain concerned by a number of aspects of in the US Government's 'Inflation Reduction Act.' Continued engagement between the EU and US, with Ireland represented through the team in Brussels, is essential in order to find solutions to the Act's problematic elements, which will help both the EU and US to cooperate more effectively on shared long-term challenges.

Ireland, through its EU partners, stands firmly with Ukraine and its people, and will continue to strongly support Ukraine's economy, society, and future reconstruction. In May 2022, the EU adopted a regulation allowing for temporary full trade liberalisation and the suspension of tariffs on Ukrainian goods entering the European market. Thanks to these measures, the EU is significantly supporting Ukraine's economy.



4.3 Trade Policy

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

In Brussels, the main committee at which Ireland can discuss such trade issues is the Trade Policy Committee (TPC). The committee advises and assists the EU Commission in negotiating agreements with third countries or in international organisations in the area of the Common Commercial Policy. It also acts as one of the preparatory bodies in the decision-making process of the Council as regards EU trade policy.

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

- issues related to the World Trade Organization (WTO);
- bilateral trade relations;

- new EU legislation within the trade policy area, as appropriate.

In recent years, the EU has concluded trade deals with Canada, Japan, Singapore and Mexico, each of which was discussed at meetings of the Trade Policy Committee.

Trade policy is dependent on strong multi-lateral frameworks, such as the World Trade Organisation and bilateral engagement that looks to support global economic prosperity. However, the multilateral nature of trade policy has been subject to increasing tensions amongst some of the world's largest trading nations. As a result, the build-up of trade nationalism and a lack of robust enforcement of multilateral rules, the European Union has been required to develop a number of trade policy tools with the objective of defending Union interests and reassert a level playing field with its third country partners. Therefore, the EU's trade defence toolkit has evolved significantly over the last number of years, driven in part, by international headwinds that seek to undermine the rules-based free trading system, the Union has seen a steady rise in trade nationalism, both east and west, and a casual dismissal of heretofore central tenets of the international trading system, such as a two-stage dispute settlement process or ensuring that 3rd country initiatives are WTO compliant.

The EU's evolving toolkit is reflective of the policy space that EU trade policy must now operate in – continuing to advocate for the importance of open and fair trade while recognising that the Union must defend its interests when others seek to exploit our openness.

In that regard, the Union's recent International Procurement Instrument looks to enshrine reciprocity in our public procurement relationships with third countries to ensure that the EU's competitive edge is not undermined by one-sided market access set ups. This tool is welcomed as it demonstrates that the EU is open for business but it's on the basis that the access that we provide to our market should be mirrored in the market of the third country. The International Procurement Instrument was adopted by the Union in June 2022.

In addition, the updated Trade Enforcement Regulation allows the Union to act when the WTO or other adjudicator has found that a trading partner has breached its WTO or FTA commitments towards the EU. The ability to access critical supplies requires strong and effective enforcement measures and the EU has created built in safeguards to ensure that FTAs can be implemented in a balanced and consistent way.

Finally, the Commission introduced its proposal for an Anti-Coercion Instrument in December 2021 and which was subject to Council discussion throughout 2022. The Instrument, once adopted, would allow the Union to respond to actions of third countries that seek to influence the Union or a Member State into taking or refraining from certain policy choices through measures impacting trade and investment. A Council mandate was reached on the file in November 2022 and the Instrument is now subject to final discussions between the Council, European Parliament and the Commission.

4.4 International Impact

The Department of Enterprise, Trade and Employment has officers at counsellor and Trade Attaché level in:

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

The focus of these posts varies by location, with some concentrated on representing Ireland's interests in EU and international organisations; while in other cases, the Department's officers work in Ireland's embassies and consulates alongside colleagues in the Department of Foreign Affairs, and from other Departments and agencies, as part of the 'Local Market Teams'. These teams work together to advance Ireland's bilateral trade and economic relationships in each market, and to support both the Minister for Enterprise, Trade and Employment and Minister of State for Trade Promotion in implementing the programme of trade missions in pursuit of Ireland's trade and investment goals.

4.5 Washington DC

The senior posting to the Irish Embassy in Washington DC reflects the increasing importance of Ireland's strategic trade, investment and innovation interests and US developments in these policy domains. The Department's Counsellor in Washington DC ensures effective engagement with diverse US enterprise interests and cultivation of relations with the US Administration and key government departments, federal agencies and relevant stakeholders; reporting on activities, initiatives, major publications and promoting engagement between the Department and these entities. The Counsellor also helps to lead the Local Market Team which includes all State Agencies operating in the US and coordinate economic positions across the network of Consulates.

The Ireland US bilateral trade and investment relationship continued to grow over 2022. IDA Ireland secured a total of 167 investments from North American companies, accounting for over 18,500 new jobs, and including 64 first time investments from new name companies. At the end of 2022 there were 947 US corporations in IDA's client portfolio employing over 208,000 people directly in Ireland with US corporations accounting for over 70% of total inward investment employment in Ireland. In 2022, 65 Irish companies set up new US presences contributing to the total of 650 companies employing over 100,000 people at 2500 locations across all 50 US states.

The European Union and the United States have the largest bilateral trade and investment relationship and enjoy the most integrated economic relationship in the world. The EU and US trade about 1.2 trillion euros worth of goods and services each year. Together, the EU-US trade represent 18% of the World trade in goods and services, in turn creating jobs and growth on both sides of the Atlantic.

Following some complicated years, the EU and the US have been able to improve their trade relations. Temporary solutions have been found for major trade disputes and both sides have started to build a

positive bilateral agenda, notably through the Trade and Technology Council (TTC). Two meetings of the TTC took place in 2022, the first in Paris in May, saw a launch of a new sub-group on artificial intelligence, a taskforce for funding IT infrastructure and supply chains in third countries, a policy dialogue on dealing with big tech and a mechanism to more easily collaborate on standards and more quickly react to trade crises. Russia's war of aggression against Ukraine dominated the discussion with both sides pledging to work jointly with Ukraine to rebuild its economy and committing to coordination on export controls. The second meeting, in Maryland, in December, launched a number of new concrete initiatives including cooperation on new and emerging technologies, building resilient semiconductor supply chains, and enhancing trade, security, and economic prosperity. Despite progress being made at TTC level, EU continued to have serious concerns about the impact of inward-looking tendencies in US trade policy, favouring domestic sectoral interests. These concerns came to a head with the adoption of the Inflation Reduction Act, which EU said risks being detrimental to the economic interests and industrial competitiveness of the EU and of other WTO Members, and risks making the green transition more costly, for taxpayers and consumers. An EU US taskforce was established to address specific concerns raised by the EU in relation to the Act.

In April 2022, the Tánaiste and Minister for Enterprise, Trade & Employment Leo Varadkar travelled to the West Coast of the US for a trade and investment programme hosted by Enterprise Ireland and IDA Ireland. The Tánaiste was accompanied by Secretary General of the Department, Dr. Orlaigh Quinn and delegates from EI and IDA including Enterprise Ireland CEO Leo Clancy and IDA Ireland CEO Martin Shanahan. The visit included stops in Seattle, Silicon Valley, San Francisco and San Diego where the Tánaiste met with key industry and political leaders and members of Ireland's business diaspora. The Tánaiste was the keynote speaker at events marking the official opening of the new Enterprise Ireland office in Ireland House San Francisco, and celebrating the recently opened IDA Ireland and Enterprise Ireland offices in Seattle.

The visit highlighted Ireland's place at the heart of the European Union and the Eurozone, and the single market which gives access to an open marketplace of 450 million people. The visit also focused on a number of key sectors including Cyber Security, Life Sciences and ICT. These are sectors with significant Irish company capability depth and are sectors that have seen steep growth in the U.S. over the past two years.

Tánaiste and the Secretary General, Dr Orlaigh Quinn participated in a roundtable at Ireland House San Francisco with senior Irish and Irish-American Technology Industry executives, which focused on economic developments in Ireland and the Bay Area.



4.6 Berlin



The Taoiseach, Micheál Martin, paid a visit to Berlin on 22 February 2022 to meet with Federal Chancellor Olaf Scholz.

While in Berlin, the Taoiseach met with Dr Christian Bruch, CEO of Siemens Energy, to discuss the development of renewable energy and green hydrogen in Ireland and globally. The DETE Berlin team worked with IDA Ireland to support and facilitate this meeting.



Pictured left to right: Jean Carberry, A/Sec, DETE; Pauline Mulligan, A/Sec, DETE; Iris Ploeger, BDI; Anne-Marie Finlay, DETE Counsellor at Embassy Berlin; Dr Sophia Helmrich, BDI

[Picture courtesy of the Federation of German Industries (BDI)]

With the lifting of Covid-related travel restrictions in the early months of 2022, the DETE Berlin team supported a series of high-level officials meeting programmes across the full range of policy interests, supporting the development of closer bilateral contacts, and exchange of views on working together on topical and mutual areas of interest.

Pictured above following a meeting with Ms Iris Ploeger, Member of the Executive Board at the Federation of German Industries (BDI) and Head of the Department Digitalisation, Innovation and Healthcare.

4.7 Beijing

The DETE post in Beijing was first filled in January 2020, the beginning of a highly disrupted period across the globe. The Covid-related international travel restrictions that applied in China over the period presented a significant challenge to Irish and Chinese businesses seeking to maintain business links in both countries.

Domestically, restrictions and lockdowns proved equally challenging, often resulting in trade shows, meetings and events being cancelled or postponed often at very short notice.

Throughout 2022, while the vast majority of the rest of the world was opening up, Team Ireland in China continued to face extensive restrictions, but continued to promote Ireland, focussing on smaller scale events and adopting a more flexible and creative approach in its engagements with its interlocutors and audiences.

The Embassy team continued to work closely with EI and IDA throughout the year, including through company visits, client and target company assistance and supports and sector specific promotional events at the Embassy.

Some major expos went ahead, despite Covid restrictions:

- Team Ireland participated in the rescheduled 2nd China International Consumer Products Expo in Hainan in July, hosting Irish companies at the Irish National Pavilion.
- The Embassy Econtrade team coordinated the setup of a virtual national pavilion at the China International Import Expo (CIIE), held in Shanghai in September. Ambassador Derwin also attended the CIIE Opening Ceremony in person.
- Ireland was awarded Country of Honour at the first Global Digital Trade Expo in Hangzhou, originally planned for November 2021 but eventually held in December 2022, with a National Pavilion created with input from the Embassy and all State Agencies represented in China. Due to Covid restrictions, the Embassy team was blocked from travel on the final day before the event, however Shanghai-based Team Ireland colleagues participated in the event and promoted Ireland successfully throughout the Expo.

In addition, Ambassador Derwin visited both the cities of Chongqing and Chengdu as part of outreach activities involving a number of high level engagements with senior leadership in both cities, helping raise Ireland's profile in fields of trade, commerce, agriculture, and sustainability.

Case Study - Beijing

In addition to the role of reporting host country news and trends back to HQ, a secondary, but equally important role emerged during the pandemic. In the absence of official visits from Ireland, and the restrictions imposed by lockdowns and other measures adopted in response to pandemic outbreaks, the extent of our outreach to host country officials was often limited to trade fairs and more widely through existing social media channels.

The Embassy's Econtrade team considered ways to increase awareness of Ireland's economic development beyond the existing social media platforms and felt it was preferable to select a target

audience and reach out to them specifically, rather than disseminate information through general broadcast posts on existing channels.

For this reason, the team set out to develop a newsletter, which would provide briefings on Ireland's economic performance, key business developments, trade statistics with China and report on progresses made by agencies on the ground in China.

In August 2022 we generated the first newsletter, translated into Chinese and shared it with the contacts we had built up in relevant official and business organisations. We hoped that this venture would help to maintain the working relationships, establish closer links with officials in our counterpart ministries and business organisations, and to engender and foster a longer-term positivity towards Ireland. We also sought to increase Ireland's overall country image in China, and to develop and maintain a greater awareness and understanding amongst recipients, of Ireland's sectoral strengths. The newsletter was well received and the favourable feedback has encouraged the team to continue and develop it further.



4.8 London

The Department's team at the Embassy of Ireland in London is responsible for leading the development, support and strengthening of bilateral economic and commercial relations between the UK and Ireland.

Since the signing of the Anglo-Irish Free Trade Agreement in 1965, the Department in its various formations over the years has maintained the posting of senior officials to cover trade relations with the UK.

There are currently three members of the DETE seconded to the Department of Foreign Affairs (Embassy of Ireland London) and their primary role is to cultivate and enhance bilateral trade relations between the UK and Ireland. The Trade Counsellor leads the Department's presence in London with support from two senior officials, and also working closely with Enterprise Ireland and IDA Ireland to maximise opportunities for Irish businesses in the UK market.

The Department has prioritised the economic importance of maintaining and enhancing our connections with key stakeholders in the UK, and building the new bilateral relationships required following the UK exit from the EU. As a small open economy, our relationships across the globe have always mattered, and in this context we have placed a particular emphasis on our nearest neighbour, the UK. The UK market remains of vital strategic importance for Irish businesses and it will continue to be an important first step for Irish companies as they start their export journey.

The EU-UK Trade and Cooperation Agreement (TCA) outlines the framework for our new trading relationship with the UK. The TCA is also dependent on a continual process of discussion and review, and the new rules will result in many changes, challenges and opportunities. Therefore, the sustained engagement by Departmental officials based in the Irish Embassy in London is essential to maintaining a constructive bilateral economic relationship with the relevant stakeholders across the UK system.

4.9 Geneva - International Organisations

4.9.1 World Trade Organisation (WTO)

As a small open trading economy, reliant on international trade and investment for its economic development and job creation, Ireland is a strong supporter and beneficiary of the global, rules-based, trading system.

There are 164 members of the World Trade Organisation. The WTO negotiates global agreements, commitments, and rules in various aspects and sectors of trade. It monitors compliance with those commitments and rules, and it provides a system for settling disputes between members.

The WTO also seeks to ensure that trade policies support wider global objectives such as the response to the global pandemic crisis and the challenge of environmental sustainability. The WTO meets at Ministerial Conference (MC) level every two years and takes decisions by consensus.

The WTO's 12th Ministerial Conference (MC12) took place on 12-17 June 2022 in Geneva. Ireland was represented, at the time, by the Tánaiste and Minister for Enterprise, Trade & Employment, Leo Varadkar TD

At MC12, Ministers agreed on a number of imports declarations and decisions on issues such as:

- WTO reform – including the role of trade in addressing environmental issues,
- The WTO response to the Covid-19 pandemic, and how the multilateral trading system can help respond to future pandemics,
- The emergency response to food insecurity,
- Fisheries subsidies – including on illegal, unreported and unregulated fishing (IUU), over-fished stocks, and transparency,
- An extension of the moratorium on customs duties on e-commerce transactions, and
- An intellectual property agreement to enable developing countries to produce vaccine (the TRIPS waiver).

At the WTO, the Department's officials represent Ireland's interests across a broad range of issues and negotiating topics such as: e-commerce; investment facilitation; trade participation of small and medium enterprises; agricultural supports and restrictions; fisheries subsidies; trade and health; trade and development of developing countries; and trade and the environment.

Our officials also participate at WTO Committees that monitor compliance with the rules that govern the world trading system such as legally bound tariff levels, non-tariff barriers, regulatory standards, trade facilitation practices and subsidies, as well as dispute settlement cases that impact on Ireland.

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

4.9.2 International Labour Organization (ILO)

The ILO, founded in 1919, aims to promote decent work. It does this by creating international labour standards (conventions), greater opportunities for people to secure decent employment, enhancing the coverage of social protection for all and strengthening tripartism and social dialogue.

187 of the 193 UN countries are members of the ILO. The ILO's tripartite structure, in which Governments, Workers and Employers have an equal voice, is unique in the UN system.

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

In addition, Irish Aid has a four-year (2017-2021) development cooperation partnership with the ILO, with a commitment to provide approx. €2 million per year. In recognition of Ireland's expanding interests arising from intensified collaboration on socio-economic (labour) policy at the EU and multilateral level, and Ireland's full membership of the ILO's Governing Body over the period 2017-2020, the DETE staff based in the PMUN in Geneva play a central role in monitoring and participating in negotiations and policy formation at the ILO. This entails attending, and participating in, ILO meetings and seminars including the Governing Body (meetings span two weeks) and the annual International Labour Conference (two weeks in June) all of which take place in Geneva.

In addition, DETE officials in Dublin also monitor, coordinate and contribute to national and EU developments of relevance on the ILO agenda, focusing in particular on sectoral meetings and cross-cutting trade/labour discussions that span the multilateral system.

4.9.3 World Intellectual Property Organization (WIPO)

WIPO was created in 1967 to encourage creativity by promoting the protection of various forms of intellectual property. WIPO has 192 members and administers some 26 international treaties.

The work of WIPO is an area of particular importance to Ireland given our heavy investment in the area of science, technology and innovation (STI) as reflected in Ireland's strategy for research and development, science and technology, Innovation 2020.

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

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

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

Chapter 5 – EU Trade Policy

5.1 EU Free Trade Agreements

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

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

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

5.2 Economic Benefits of FTA

The EU has the largest Free Trade Agreement Network in the world, with 41 trade agreements covering 74 countries worldwide and accounting for 44% of the EU's external trade. This growing network of trade agreements creates opportunities for workers across Europe.

The EU's free trade agreements deliver real economic results for consumers, workers, and small companies without compromising on core principles like human rights and sustainable development. Negotiating trade agreements is a lengthy and complex process, often taking several years to conclude, but the rewards make them worth the time and effort. Significant EU trade deals go through the full democratic process before they enter into force. They must be approved by the European Council (Prime Ministers of all 27 member states), and MEPs must give their consent in the European Parliament, meaning these trade deals come under deep scrutiny.

5.3 EU Next Generation Trade Agreements

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

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

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

Australia

Negotiations for an EU-Australia Free Trade Agreement were officially launched in Canberra on 18th June 2018. There were thirteen rounds of negotiations up to the end of 2022 and negotiations continued into 2023. Based on the European Commission's 2018 impact statement, it is estimated that ambitious FTAs with Australia and New Zealand will together generate an increase in EU GDP of €4.9 billion annually.

New Zealand

On the 30 June, the EU and New Zealand announced the successful conclusion of negotiations for a Free Trade Agreement, following four years of negotiations beginning in June 2018. Once it enters into force, trade between New Zealand and the EU is expected to increase by 30%, with the removal of tariffs potentially saving EU businesses €140m in duties.

Japan

The Economic Partnership Agreement between the EU and Japan was signed on 17 July 2018 and came into effect on 1 February 2019. In 2022, the EU commenced negotiations with Japan on an agreement on data flows.

India

Negotiations on an EU-India Free Trade Agreement were relaunched in 2022, along with separate agreements on investment protection and on geographic indications. The EU and India have also agreed to form a Trade and Technology Council which was announced at a summit in April.

Indonesia

Negotiations on a Free Trade Agreement with Indonesia continued with the 12th round of negotiations taking place at the end of 2022 and the 13th round at the start of 2023. Bilateral trade in goods between the EU and Indonesia amounted to €20.6 bn in 2020, with EU exports worth €7.2 bn and EU imports worth €13.3 bn.

Mercosur

Mercosur comprises Argentina, Brazil, Paraguay and Uruguay. Together this is a market of 260m people. In June 2019 a political agreement on a comprehensive trade agreement was reached. In addition to cutting tariffs the agreement promises to ease the customs and compliance procedures that EU firms experience when exporting to the region. The full text of the agreement will now move forward for legal revisions, translations and will need to be approved by the EU Council and Parliament. Following the conclusion of negotiations, the texts of the Agreement are undergoing legal scrubbing and translation. Work is also ongoing to strengthen the implementation and enforcement provisions of the Trade and Sustainable Development chapter of the Agreement.

Chile

The EU and Chile concluded an Association Agreement in 2002, which included a comprehensive Free Trade Agreement. At the time, it was a 'state of the art' FTA, but since then there have been significant trade policy developments affecting both the EU and Chile. Negotiations for a modernised Association Agreement began in 2017 and were formally concluded in Brussels on the 9th of December 2022.

5.4 European Union and United States

There were two meetings of the EU-US Trade and Technology Council (TTC) held during 2022. The first was held on 15/16 May 2022 in Paris, France and the second in Maryland, USA on 5 December 2022.

The TTC was established during the EU-US Summit on 15 June 2021 and serves as a forum for the US and EU to coordinate approaches to key global trade, economic, and technology issues. The Council meets periodically at political level to steer the cooperation, co-chaired by European Commission Executive Vice-President and EU Competition Commissioner, Margrethe Vestager, and European Commission Executive Vice-President and EU Trade Commissioner, Valdis Dombrovskis, on the EU side; and US Secretary of State, Antony Blinken, US Secretary of Commerce, Gina Raimondo, and US Trade Representative, Katherine Tai, on the US side.

Some of the key deliverables achieved following the two TTC meetings in 2022 included:

- First Joint Roadmap on Evaluation and Measurement Tools for Trustworthy Artificial Intelligence and Risk Management (AI Roadmap).
- Collaboration on future standards for Megawatt Charging Systems (MCS) for heavy-duty vehicles.
- EU and US will implement an early warning mechanism to address and mitigate semiconductor supply chain disruptions in a cooperative way.
- Establishment of Transatlantic Initiative on Sustainable Trade aimed at enhancing EU-US collaboration on trade and environmental sustainability.

The Inflation Reduction Act (IRA) was signed into law by US President Joe Biden on 16 August 2022. The Act includes a large number of tax incentives aimed at attracting investment in green energy/technology in the US and encouraging US consumers to buy electric vehicles that are produced in the US. Following the introduction of the IRA, the EU, while welcoming the ambitious environmental

aspects of the Act, raised concerns through the TTC regarding the potential trade-distorting effects of the large subsidies available under the IRA.

As a result, on 25 October 2022, an EU-US Task Force on the Inflation Reduction Act was formed to address the EU's concerns. The Task Force is led by officials from the White House and EU Commission President von der Leyen's Cabinet and is expected to continue meeting regularly up to at least March 2023 (when the final implementation guidelines are due to be issued by the US Department of the Treasury).

5.5 European Commission Review of Trade and Sustainable Development

In June 2022, the Minister for Enterprise, Trade and Employment made a submission to European Commission Vice President Valdis Dombrovskis regarding the Commission's Review of Trade and Sustainable Development (TSD). The Review was focused on enhancing the contribution of EU trade agreements to protecting the climate, environment and labour rights worldwide. Ireland's submission to the Review identified the following priorities for Ireland, summarised as follows:

- Ireland is open to a more assertive approach to trade and sustainable development in our Free Trade Agreement negotiations. Our position is rooted in a strong core belief in the value of open and fair rules-based trade. We prioritise a cooperative approach with trade partners to TSD issues. • Ireland believes that the balance of TSD provisions in Free Trade Agreements can be improved to emphasise the positive contribution that trade can make to sustainable development as well as ensuring strong commitments and enforcement.
- This includes promoting the circular economy; liberalising trade and investment in environmental goods and services; incentivising green procurement; cooperating with trade partners carbon pricing and reducing fossil fuel subsidies; cooperating on sustainable food systems and improving food security.
- Alignment with international sustainability standards helps to ensure a level playing field through global rules and to avoid fragmentation. Ireland supports that FTAs should leverage and reinforce what has already been agreed internationally in multilateral fora such as the UN, ILO and OECD and not seek to override or side-step agreed international standards, lest they risk diluting or undermining those standards. We also see greater scope for FTAs to support gender equality.
- Ireland advocates that FTAs be supplemented with agreed roadmaps and workplans for the implementation of TSD provisions. To support public trust and to demonstrate the benefits of FTAs, the communication of agreed TSD provisions should receive particular attention.
- We need to be particularly sensitive in our approach to negotiations with developing countries and tailor our approach accordingly, providing technical assistance and capacity building measures as required.
- Ireland advocates an incentive-based approach that could link additional tariff reductions to the fulfilment of TSD commitments. We are highly cautious about sanctions for breaches of

TSD commitments as we believe they may risk lowering ambitions or watering down of commitments by partners on TSD.

Ireland's position paper on the Review is available here: [European Commission Review of Trade and Sustainable Development - Ireland position paper - DETE \(enterprise.gov.ie\)](#). The European Commission's final action plan arising from the Review was published in June 2022, in its Communication on "*The power of trade partnerships: together for green and just economic growth*" and is available here. [Commission unveils new TSD approach to trade agreements \(europa.eu\)](#) Overall, Ireland broadly welcomed the action plan which aligns with many of our priorities. The action plan is now informing the Commission's approach to recent and ongoing FTA negotiations.

5.6.1 Investment Screening

Ireland actively participates in the EU's cooperation framework for the screening of foreign direct investments into the Union. Ireland is also legislating to introduce an investment screening mechanism for the first time. The implementation of such a mechanism will help to protect Ireland from potentially hostile third- country investors and will also provide reassurance to key trading partners that Ireland is a responsible global player, cognisant of the risks posed by certain types of investments. This legislation is currently being considered by Parliament and it is expected that the mechanism will come into effect by the end of 2023. The development of an investment screening mechanism sits comfortably as part of the European Union's and Ireland's broader trade defence toolkit.

5.6.2 Export Control & Trade Sanctions

Ireland is fully committed to the multilateral, non-proliferation regimes, whose purpose is to support security and the Department rigorously implements EU and national Export Controls, which give legal and practical effect to the work of the regimes. In 2022 the Department completed the drafting of new national legislation to ensure that Ireland continues to operate a comprehensive and robust system for regulating the export of controlled goods.

The Department is also responsible for implementing UN and EU Trade Sanctions in support of international law and human rights. During 2022 the Department was responsible for implementing the trade measures in the nine packages of sanctions adopted by the EU in response to Russia illegal and unjustified war of aggression against Ukraine, which were unprecedented in their breadth and sophistication.

Chapter 6 - The Department of Enterprise, Trade and Employment and its Agencies

6.1 Enterprise Agencies

The Department of Enterprise, Trade and Employment plays a key role in implementing the Government's policies of stimulating economic growth and capacity while creating an environment which supports existing jobs and new job creation. The Department also has a remit to promote fair competition in the marketplace, protect consumers and safeguard workers. The Department is assisted in implementing these policies by a number of Offices and Agencies. Working with two of these agencies, namely Enterprise Ireland and IDA Ireland, the Department's remit includes increasing and deepening export opportunities, and attracting foreign direct investment to Ireland.

6.2 Enterprise Ireland

Enterprise Ireland is the government's economy development agency responsible for the development and growth of Irish enterprises in world markets.

Enterprise Ireland works in partnership with Irish enterprises to help them start, grow, innovate and win export sales in global markets. In this way, Enterprise Ireland supports sustainable economic growth, regional development and secure employment.

Resilient, internationally focused, and productive Irish enterprises are critical to the future growth of the Irish economy, supporting livelihoods and contributing to prosperity throughout Ireland.

Enterprise Ireland-assisted companies make a very important contribution to economic activity across all parts of the country. Despite the challenges faced by Irish enterprise in the past few years, Enterprise Ireland client companies have shown great resilience, employing 218,178 people in 2022, with 68% of this employment located outside of Dublin. These companies generated export sales of €27.29bn in 2021, up 12% on 2020. This is the highest ever level of growth for Enterprise Ireland-backed companies in export value. In 2021, Enterprise Ireland companies spend in the Irish economy was €31.3bn.

The year 2022 was also marked by Enterprise Ireland hitting a number of key targets, with 1271 overseas contracts secured with Enterprise Ireland assistance, 238 companies entering new markets and 144 climate and green projects approved.

Business is being transformed by drivers such as climate change, the accelerated adoption of technology, and changing trends in globalisation in ways that present both challenge and opportunity. To continue to succeed in changing times, Irish enterprises must be ambitious and pursue high growth strategies. They must invest in strengthening capability and competitiveness, respond quickly to changing consumer preferences, be flexible and open to changing business models, and innovate ahead of competitors.

Our 2022 – 2024 corporate strategy 'Leading in a Changing World' highlights three transformational imperatives for Irish enterprise development: climate action, digitalisation and innovation. Helping

companies in these areas, through funding, advisory and capability measures is critical to ensure their resilience, strengthening their productivity and competitiveness and to delivering sustainable growth into the future. Differentiation through innovation is central to our clients' ability to win sales in international markets. We help clients target ambitious investment in innovation, working with our partners to develop a world-leading innovation system. We also enable deeper collaboration between clients and the national and international research community to enable them to access the capabilities, infrastructure, and finance available to boost their innovative potential.

Our teams in Ireland and across our forty international offices also work with companies to strengthen their capability to expand market reach, accelerate diversification, and deliver sustainable export growth. For Irish firms, their internationalisation is crucial to drive scale, and deliver long-term sustainable growth.

Enterprise Ireland assists enterprises in taking a strategic approach to their international growth plans, to maximise procurement opportunities, including in the public sector, and to build scale in global markets. This is enabled by our forty international offices and team of market advisers, providing market intelligence, insight and in-market assistance. Market diversification remains critical to sustainable company growth.

Enterprise Ireland also helps companies to make strategic decisions and realise export growth opportunities in near and mature markets, or high growth markets, taking into account the company's stage of export development and product or service offering.

Enterprise Ireland's success relies on a deep understanding of the products, services, management companies and matching this with its intelligence of global and regional market demands and trends, and its knowledge of international buyers.

Our international trade mission and trade event programme is also instrumental in supporting Irish companies to win business and scale internationally. In 2022, Enterprise Ireland led 16 Trade Missions and had presence at over 100 international trade events. In addition, international buyers were invited to Ireland to engage with Irish companies and attend key trade show events in Ireland, including the National Ploughing Championships.

The trade missions and trade events programme, led by Ministers from the Department of Enterprise, Trade and Employment largely covered the UK, US, Eurozone and Northern Europe and included attendance at influential international trade events, including Mobile World Congress in Barcelona, Arab Health in Dubai, Farnborough in the UK and Slush in Finland. The programme focuses on promoting the innovative capabilities and competitive offerings of Irish companies to international buyers in key sectors, such as Life Sciences, engineering, high-tech construction, ICT, and fintech.

In addition, Enterprise Ireland delivers a digital-led strategic international communications programme to grow Ireland's international business reputation, presenting Ireland as a progressive and innovative business-focused country; a thriving ecosystem of R&D and innovation, producing industry-leading companies and innovations across every technology. Targeting the international business community and buyer segment groups, the campaign is effective in building Ireland's international business reputation and promoting sector capabilities and our clients.

Case Study: International Markets Week

International Markets Week, Enterprise Ireland's annual exporting event, took place in the RDS in October 2022. Over 600 Enterprise Ireland client companies met with 130 market advisors from 40 overseas offices to plan and accelerate their export strategies.

While exports from companies supported by Enterprise Ireland rose by 12pc to a record €27.29bn in 2021 – the highest ever level of growth in terms of export value – the forecasted global slowdown means it's vital for businesses in Ireland to assess and formulate their export and internationalisation plans for 2023 and beyond.

Challenges such as rising inflation, supply chain issues and skills availability will all continue to put pressure on Irish exporters in the months and years ahead.

Enterprise Ireland provides support and advice for our clients as they face these challenges. And one such opportunity for clients to connect with our global team of market advisors is Enterprise Ireland's International Markets Week. Now in its 20th year, International Markets Week is one of Ireland's largest annual business events.

The event gives hundreds of Irish exporters the opportunity to meet face to face with market advisors from our team across our network of international offices to discuss their export strategies. Over the week, 600 Enterprise Ireland client companies had one-to-one meetings with our market advisors, who are travelling to Dublin from our network of 40 market offices across the UK, Europe, the Middle East, Africa, Asia Pacific and the Americas.

Under the conference theme 'leading in a changing world', Minister of State for Business, Employment and Retail, Damien English and Minister of State for Trade Promotion and Digital Transformation, Dara Calleary addressed the conference.

A survey of Enterprise Ireland client companies attending International Markets Week found that 84% of exporters plan to enter new international markets over the next 12 months, despite ongoing market uncertainty and concerns around issues such as supply chain, energy costs and inflation.

Two-thirds (62%) highlighted that increasing their overseas market presence is their biggest priority for the next 12 months. Of those planning to enter new international markets, one-third said North America is the priority market for them in 2023, with 27% prioritising Europe and one-in-five (19%) citing the UK.

Despite the challenging economic environment, there was a clear buoyancy about future business sentiment and strong optimism from the client companies that participated in our survey, as nine out of ten (91%) said they expect their exports to increase in 2023.

Almost three quarters of the businesses surveyed (74%) said that having green credentials with a sustainability policy in place is considered an important factor when competing to win new business overseas.



Minister of State for Trade Promotion, Digital and Company Regulation, Dara Calleary TD, speaking to delegates at international markets week.

6.3 IDA Ireland

IDA Ireland (IDA) is the agency charged with attracting foreign direct investment (FDI) to Ireland. IDA's mission is to partner with multinational companies to win and develop foreign direct investment, providing jobs, economic impact and opportunity for the people of Ireland.

IDA client companies are concentrated in the sectors which drive the modern global economy:

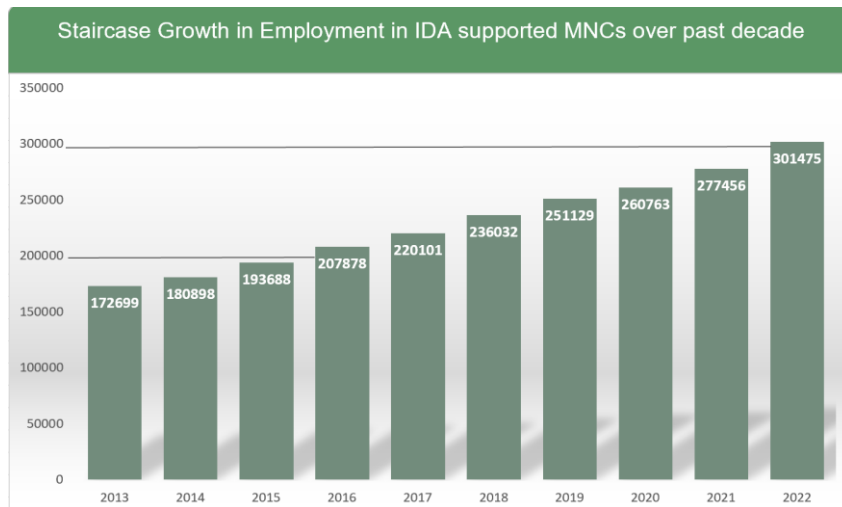
Technology, Content, Consumer and Business Services; International Financial Services; Biopharmaceuticals & Food; Medical Technologies; and Engineering & Industrial Technologies. The activities carried out in Ireland by IDA client companies are wide-ranging, constantly evolving and – as underlined by the COVID-19 crisis – linked to how people work and live around the world in the 21st century.

IDA's 2021-24 strategy, Driving Recovery and Sustainable Growth, maintains a focus on the core sectors and the new opportunities that will emerge across them as business models evolve and technology advances. Implementation of the strategy is underway with considerable progress made against the headline strategy targets during 2021 & 2022.

IDA will continue to partner with client companies to create jobs, locate in the regions, and invest in R&D, while adding a new focus on investment in training and upskilling, and environmental sustainability.

There are now almost 1,800 IDA client operations directly employing 301,475 people in Ireland, accounting for 12% of total employment. This record level of employment follows a period of staircase growth over the past 10 years.

In 2022, IDA secured 242 investments including 103 projects from new name investors coming to Ireland for the first time. The high level of new name investments presents a vote of confidence in Ireland and a new level of future proofing of FDI. Growth in Regions was particularly buoyant in 2022 with 127 of the 242 investments won (52%) going to regional locations.



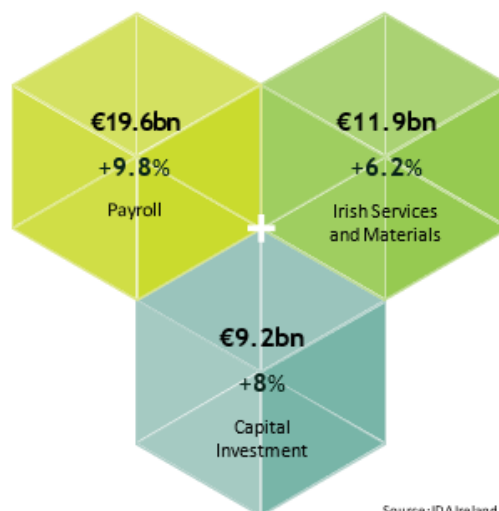
The strength of Ireland’s FDI base is a core national asset that has a sizeable impact on the Irish economy and on society more broadly. MNCs have played a key role in supporting economic activity, employment, exports and the public finances during the Covid19 pandemic. MNCs are a vital source of demand for Irish firms, with expenditure in the economy by FDI companies of €31.5bn in 2021 (up 8.4%). Of this, payroll spend increased 9.8% to €19.6bn and spend on materials and services increased by 6.2% to €11.9bn. Capital investment amounted to €9.2bn, up 8% on 2020, with the largest spend coming from the Life Sciences and Technology sectors.

Impact of FDI on the Irish economy

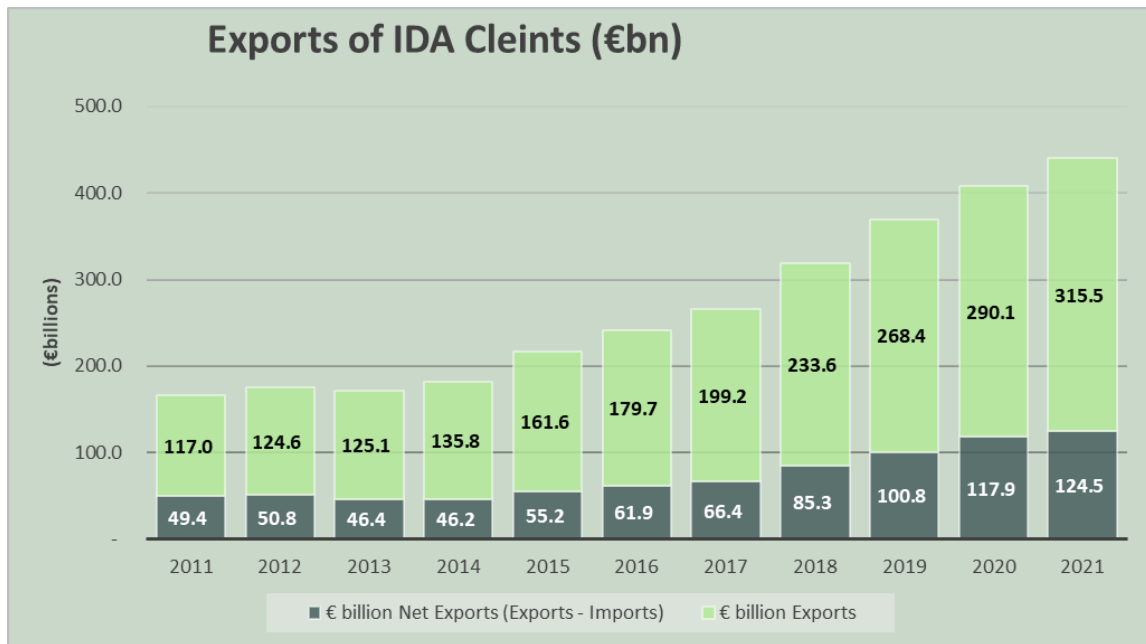
€31.5bn

Irish economy expenditure by IDA client companies in 2021 (+8.4% year-on-year).

Exports by IDA client companies were valued at €315.5bn, up 8.7% on 2020, accounting for 69% of total exports.

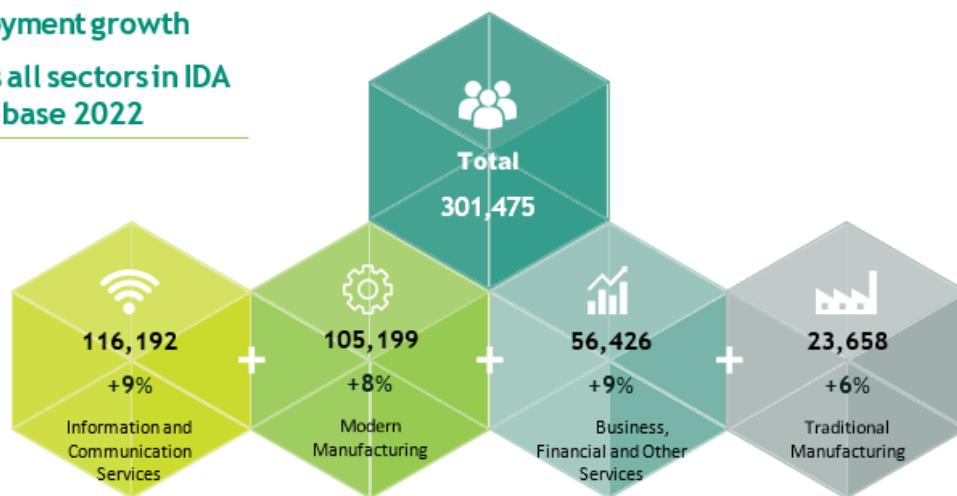


Source: IDA Ireland



Employment growth was strong across all sectors in 2022, particularly in Technology and Content, Consumer and Business Services companies as demand for the technologies and services that enable remote working and the digital economy increased.

Employment growth across all sectors in IDA client base 2022



Working closely with colleagues based in Dublin, IDA Ireland’s network of Overseas offices continues to play a key role in attracting FDI into Ireland. The agency operates across four main geographies: North America, Europe, UK and Asia Pacific/Growth Markets. IDA actively reviews its overseas presence to determine which markets could prove the most valuable sources of FDI in the medium term.

IDA Ireland has made significant progress in diversifying FDI source markets and increasing investments from non-US markets, while at the same time recognising the continued strategic importance of the US to FDI in Ireland. Of the 242 investment projects secured by IDA in 2022, 69% originated from North America, 22% from Europe and 9% from Growth Markets.



Taoiseach Michael Martin cutting a ceremonial ribbon to open a new R&D Centre in Galway | IDA Ireland