



Rialtas na hÉireann
Government of Ireland

Delivering Value for Ireland

Trade and Investment Report 2021



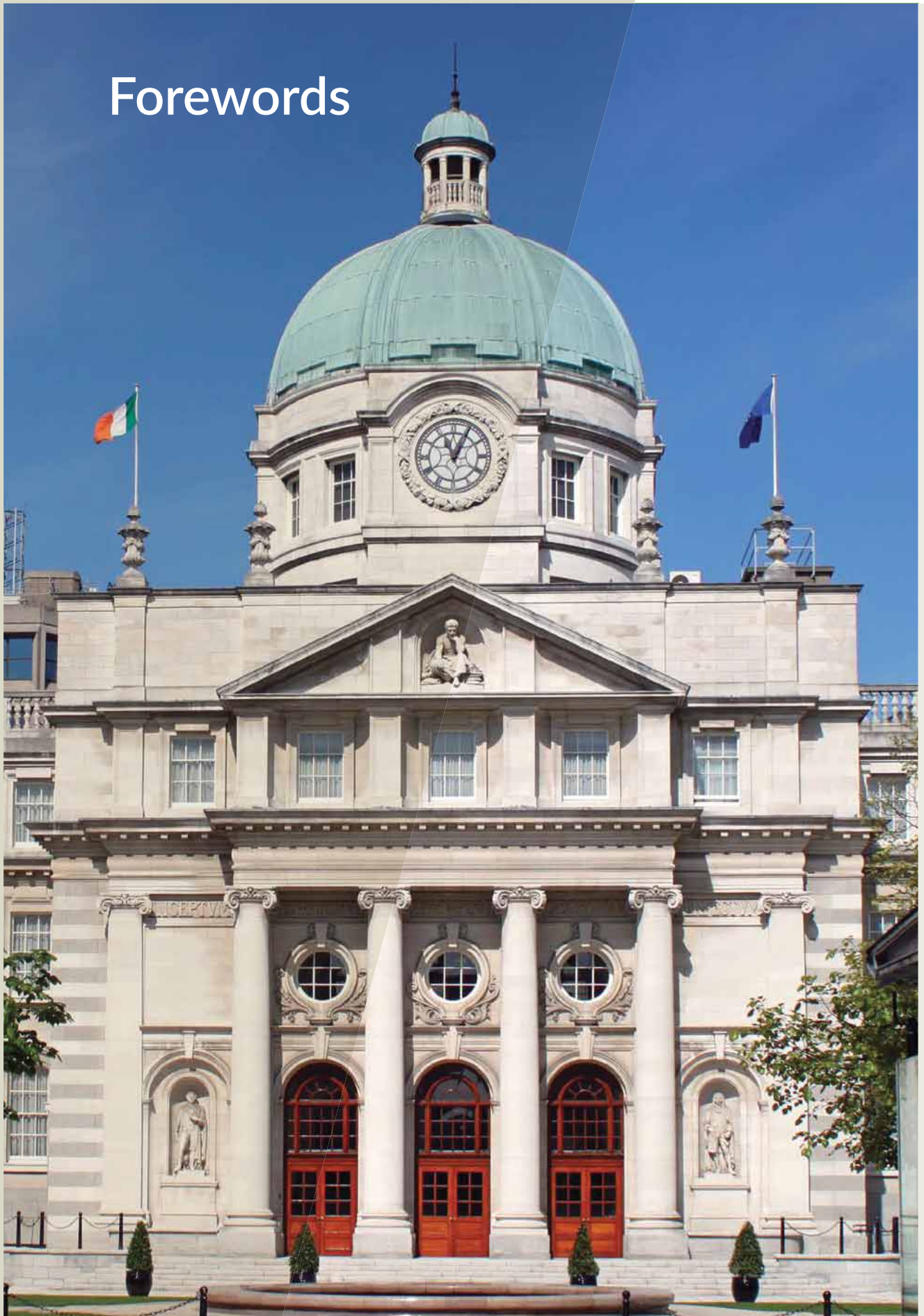
Prepared by the Department of
Enterprise, Trade and Employment
gov.ie



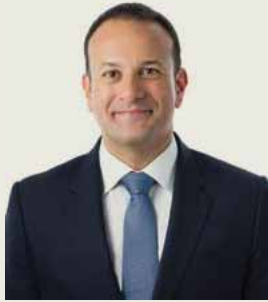
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Forewords



Tánaiste's Foreword



Unlike other countries, Ireland does not have vast natural resources, such as oil, gas or diamonds to help create jobs and fund services. Trade is the source of our economic growth. It is what allows us invest in schools, hospitals, roads and housing.

Our attractiveness as a place to invest and our ability, as part of the EU, to enter and keep international free trade agreements with other countries is the entire basis of our economic model. It is what has raised our living standards over the years.

I am pleased to present this report on Ireland's Trade and Investment performance for 2021. It is crucial that we sustain and deepen the trade relationships we already have and extend and diversify into new markets. Almost half of our workforce – 1.3 million jobs – is underpinned by international trade and investment. Over the past decade, Ireland's trade in goods and services has increased by 171% from €310 billion to over €840 billion today. Last year was a record year for exports. This outstanding performance is particularly noteworthy against the ongoing challenges of Covid-19 and Brexit.

The purpose of this report is to outline how my Department is working with its officials overseas, across Government and with its agencies, Enterprise Ireland and IDA Ireland, to:

- Work to represent Ireland's trade and investment interest in international organisations and multilateral fora,
- Maintain and enhance our ability to sell innovative goods and services into international markets,
- Attract foreign direct investment (FDI) to Ireland; and
- Make businesses aware of the opportunities from the network of EU free trade agreements

FDI continued to be a major contributor to Ireland's economic development. Almost 1,700 foreign owned companies have a presence in Ireland and account for more than one-in-ten of total employment in our cities, towns and villages. Our Irish exporters also showed incredible fortitude over the period, bringing their innovative products and services to international markets.

We never take these trade levels for granted. Last year, I established and chair the Trade and Investment Council, which is a group made up of Ministers, senior officials, heads of state agencies and representatives of business organisations. This group is overseeing the implementation of the Trade and Investment Strategy 2022-2026, Value for Ireland, Values for the World. The overarching goal of this strategy is to see Ireland grow sustainably, diversify our export markets and provide for continued prosperity and higher living standards.

Our trade missions have resumed. These are vital to help Irish businesses grow in international markets, as well as increasing awareness of Ireland's offering and why we continue to be an attractive place to invest. Trade missions are crucial for building relationships with new companies, to generating new sales and investments as well as deepening existing relationships and Ireland's commitment to working with our partners.

I hope this report provides a valuable insight into the ongoing work led by my Department in supporting international trade and investment, and the importance of that work for the continuation of economic growth and prosperity for every person in Ireland.

A handwritten signature in black ink, which appears to read 'Leo Varadkar'. The signature is fluid and cursive, written on a light-colored background.

Leo Varadkar TD
Tánaiste and Minister for Enterprise,
Trade and Employment



Minister's Foreword



The global trading environment continued to be challenged in 2021 by the ongoing COVID-19 pandemic and impact of Brexit. As new variants emerged, different regions of the world were affected by travel restrictions and localised productivity issues resulting in supply chain challenges for different sectors of our own economy.

Despite this very difficult backdrop, the Irish economy grew by 13.5% in 2021 driven largely by growth in exports of goods and services, according to the Central Statistics Office (CSO).

As a trading nation, maintaining the appropriate balance of imports and exports is crucial. It is our openness to trade that is a major factor in the continued attractiveness of Ireland as a place to do business and as a destination for inward investment. There were almost 1,700 IDA-assisted multinational client companies in Ireland in 2021, spending €27.9 billion annually in the Irish economy and employing 275,384 people. Openness to trade is also essential for our indigenous companies with Enterprise Ireland clients exporting €25.49 billion of goods and services in 2020, and employing 207,894 people at the end of 2021.

This report highlights not only our success in maintaining strong trade links with our partners in the EU Single Market and further afield, it recognises our exporting companies who throughout this challenging period demonstrated great innovation, energy, and resilience in not only keeping their businesses alive but expanding into markets where they saw the opportunity. It is this drive and ambition that we want to support now and into the future.

While global uncertainty in 2021 meant international travel was curtailed for the first half of the year, our trade and investment agencies, Enterprise Ireland and IDA Ireland continued to work to highlight Irish innovation in markets near and far, and promote Ireland as a destination for investment. I participated in several virtual trade and investment events that brought together Irish companies, global partners and potential international buyers, to promote greater collaboration and opportunities for engagement.

A key focus for 2021 was on promoting market diversification. As a member of the European Union we have access to a range of markets through Free

Trade Agreements (FTAs) with a number of countries. I was delighted to participate in a series of roundtable events, organised by Enterprise Ireland for their client companies, to highlight the benefits of FTAs with Canada, Korea, Japan and Mexico. These FTAs provide new and exciting opportunities for Irish companies to expand their business into these markets and provide world-class solutions to address buyers' needs.

As travel restrictions eased, trade missions returned and one of my first in-person international visits was to the UK. The UK remains a key trading partner for Ireland and many Irish companies have a significant presence with deep connections there. While Britain is an important country for many Irish exporters, I am happy that more companies are looking further afield to our near neighbours within the EU – the single largest trading block in the world – and farther again to those growing countries where the EU has negotiated trade agreements that offer new and exciting opportunities.

Ireland's openness to trade, investment, people and ideas is a key national strength that has helped transform our economy and society. While the recent global challenges have not gone away and as new ones arise, I am confident that with the Government supports through our Department and agencies, the future for Ireland's trading sectors looks very positive.



Robert Troy TD
Minister of State for Trade Promotion,
Digital and Company Regulation

1 Trade and Investment Performance 2021



1.1 Introduction

The mission of the Department of Enterprise, Trade and Employment is as follows:

We will 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 Department, together with its Offices and Agencies and working closely with stakeholders and across government, has played a lead role in addressing the major challenges that Ireland has faced over 2021. This collaborative effort has contributed to maintaining our inward investment model and our exporting base and supporting SME's during the pandemic.

Through its lead role in trade and investment policy the Department strives to increase the productive

capacity of the economy. Working closely with other Departments and Agencies, we aim to maintain growth in exports and to continue to attract foreign direct investment across all cities and regions.

As a department we work to 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.

We achieve our goals and objectives by focusing on strategic activities and collaborative engagements to deliver the best outcomes for our stakeholders. These include:

- Work with our EU and international partners and build and strengthen alliances to shape emerging policies, regulation and international agreements that impact Ireland's economic and business environment.
- Advocate for new and exploit existing EU Free Trade Agreements to expand Ireland's trade into new markets.
- Ensure that Ireland's position on all trade deals supports the transition to a sustainable global economy including the aims of the Paris Climate Agreement.
- Work across Government and with our EU partners to identify and remove barriers to trade, particularly in services, to secure a fully functioning EU Single Market for the benefit of our exporters, businesses and consumers.
- Advocate at EU level for policy and regulation that promotes an innovation-friendly digital economy.
- Assist enterprise to enter and benefit from international markets.
- Work with our agencies as part of Team Ireland abroad to promote our exports and highlight Ireland's attractiveness for investment and innovation, to capitalise on global shifts in business models and emerging disruptive technologies and attract the next wave of technology and business activity.
- Establish a new Trade and Investment Council.¹
- Progress Joint Economic Commissions.
- Develop a new national strategy for Trade and Investment, including governance structures to support implementation.
- Carry out an economic and sustainability assessment of the EU/Mercosur trade agreement to inform the Government.²
- Ensure rigorous enforcement of EU Export Controls and Trade Sanctions, in support of global security and human rights.
- Strengthen important supply chains on the island of Ireland to increase cross-border trade, and foster opportunities for collaboration in the context of a Shared Island.
- Work jointly with the European Commission and EU Member States to ensure that the WTO is at the heart of a global, rules-based, multilateral trading system, delivering on its negotiating, dispute settlement, trade capacity building and outreach remits.
- Lead on Ireland's engagement with the Council of Europe in relation to the European Social Charter and the International Labour Organization, coordinating their wide-ranging agendas across Government with a focus on employment and labour market standards.

1. Newly established Trade and Investment Council met on 9 November 2021

2. Economic and sustainability assessment of the EU/Mercosur trade agreement completed and published on 21 July 2021.

1.2 International Trade

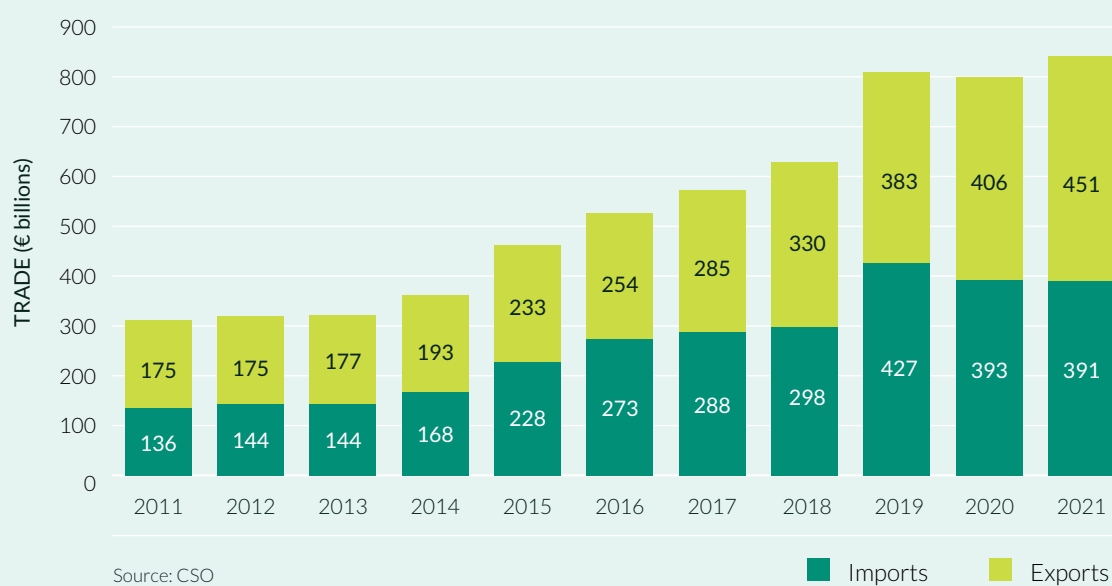
International trade and investment are enormously important to the Irish economy. As a small open economy, Ireland relies on external demand and international markets for sustainable and continued growth, and to maintain and create jobs across all regions of the country.

Value of Ireland's International Trade in 2021

Ireland's exports grew substantially in 2021 despite the disruption to global trade caused by the prolonged COVID-19 pandemic.



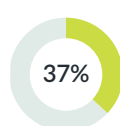
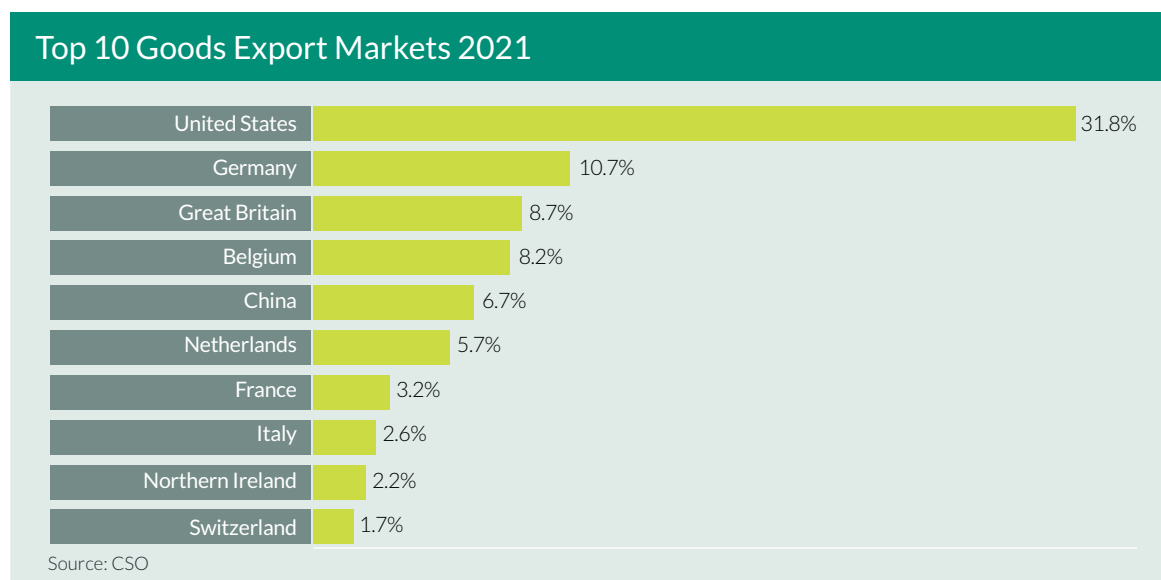
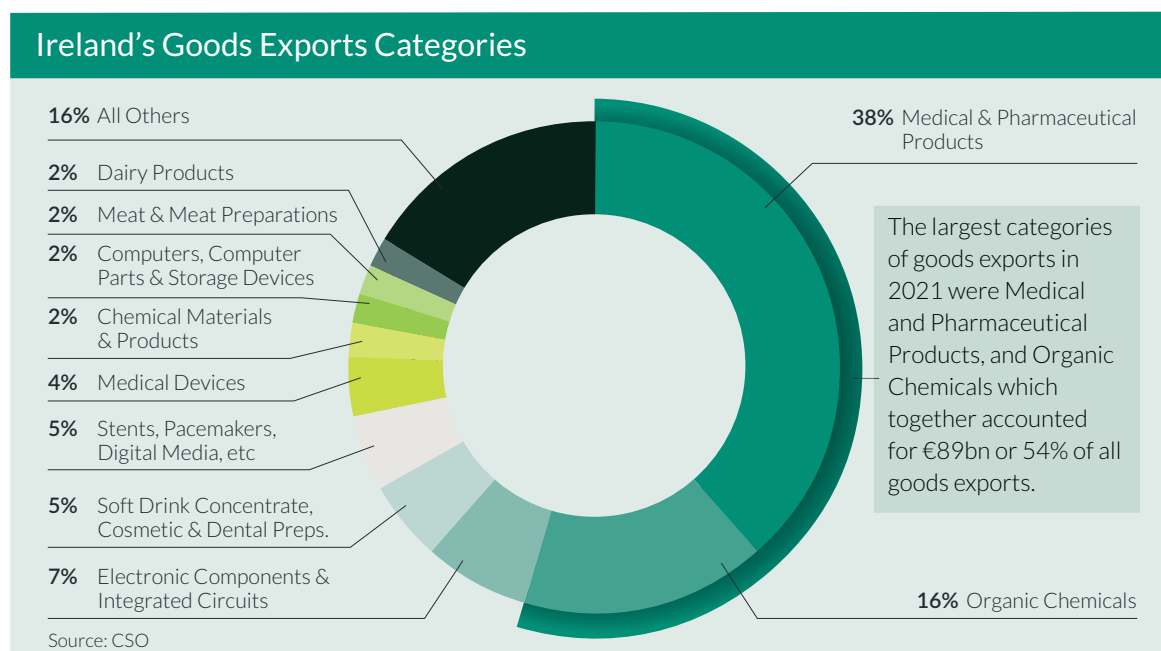
Ireland's Trade Performance 2011-2021



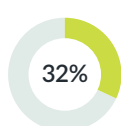
1.3 Goods Exports

In 2021 Goods exports were valued at €165 billion, the highest total on record and an increase of €3 billion (+2%) over 2020.

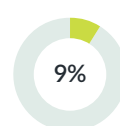
Goods are tangible products that are bought and sold, and physically shipped in and out of the country. Examples include: food, pharmaceutical products and computer chips.



The EU was the destination for 37% of Ireland's goods exports (€61bn).



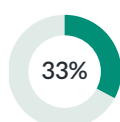
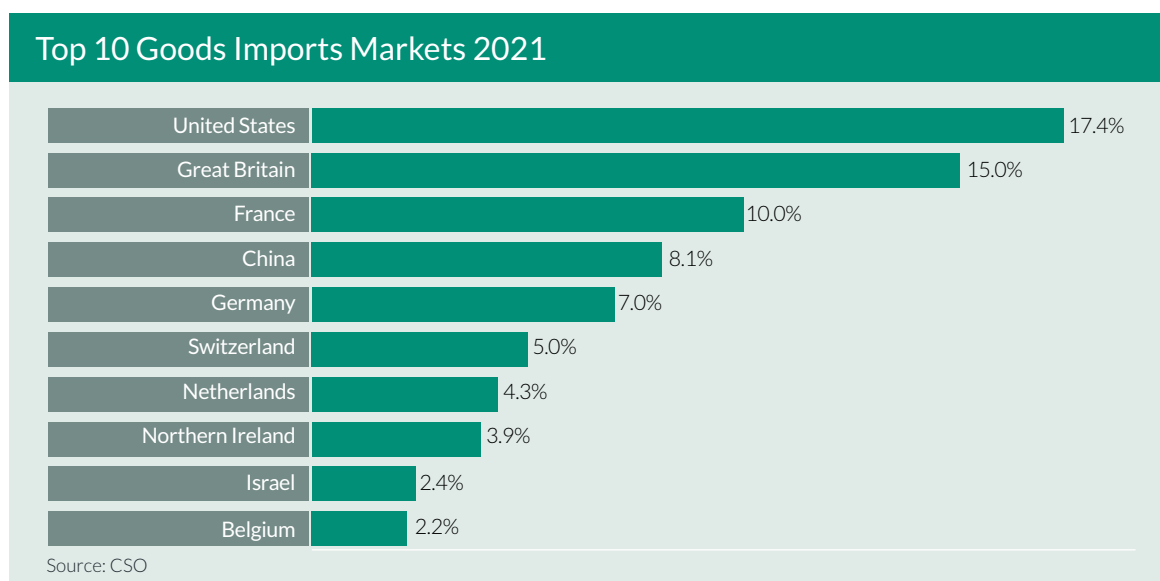
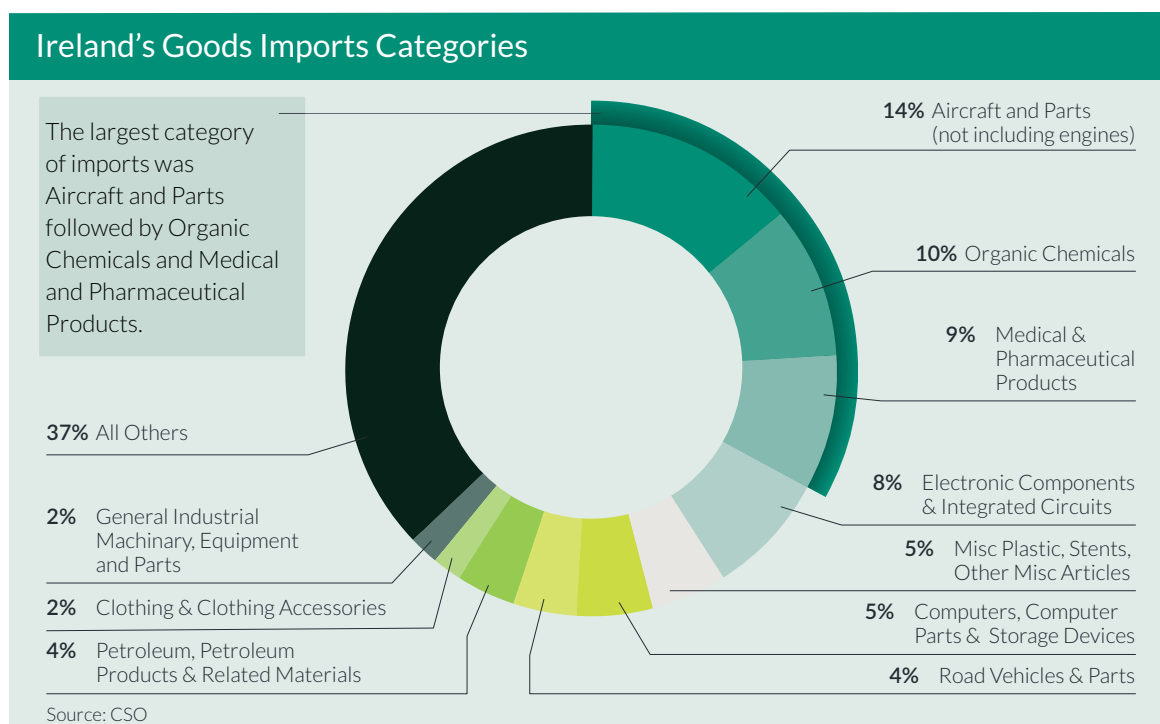
The US was the largest single destination with 32% (€53bn) of total goods exports.



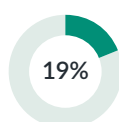
Exports to Great Britain accounted for 9% of total goods exports in 2021.

1.4 Goods Imports

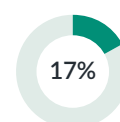
Goods to the value of €103 billion were imported into Ireland in 2021. This is the highest value on record and the first time that goods imports have exceeded €100 billion in a year.



of goods imports were from the EU at €34bn.



the single largest source of goods imports was the UK at €19bn.



of goods imports were from the US at €18bn.

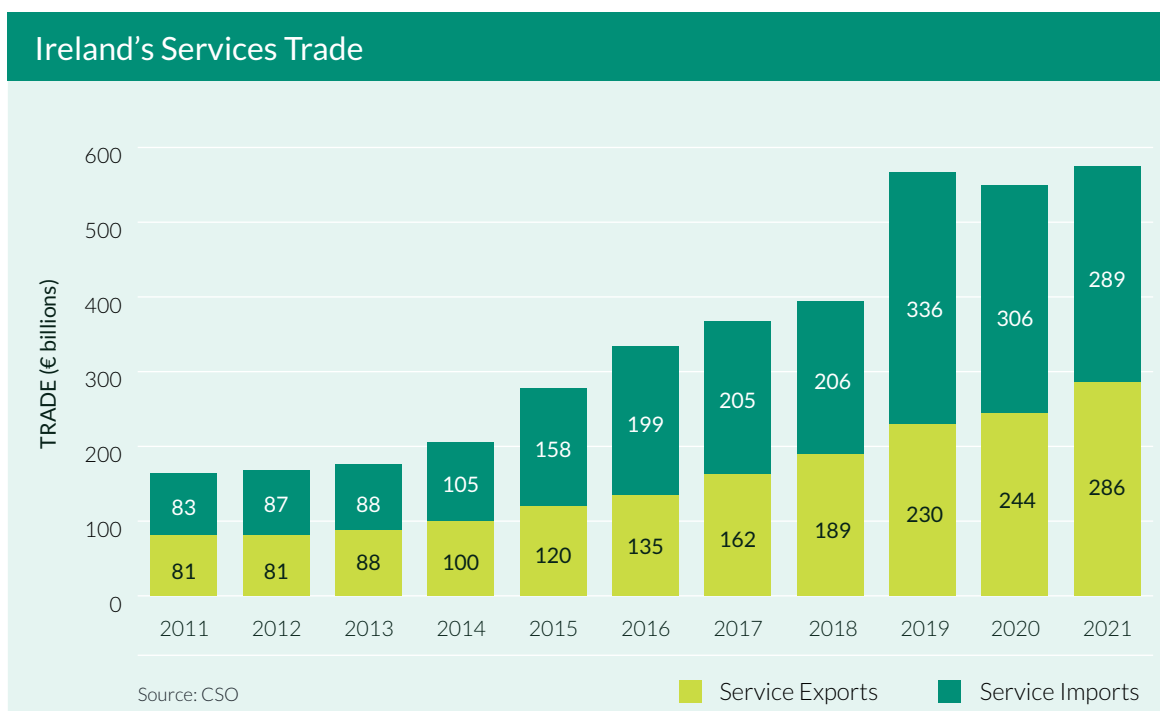
1.5 Ireland's Services Trade

The value of services exports from Ireland rose to €286 billion in 2021, the highest level on record and an increase of 17% when compared to 2020.

Services are intangible activities, facilities or benefits provided for another person's use.

Examples include: legal and accountancy services, cloud computing services and licensing of intellectual property in agrifood and life sciences.

- Computer Services accounted for almost 60% of overall service exports and also for the largest increase in value in 2021 when compared with 2020 with a €36bn increase to almost €170bn.
- Services imports saw a decrease in value in 2021 by -6% to €289bn. Business Services comprise the largest category of services imports.

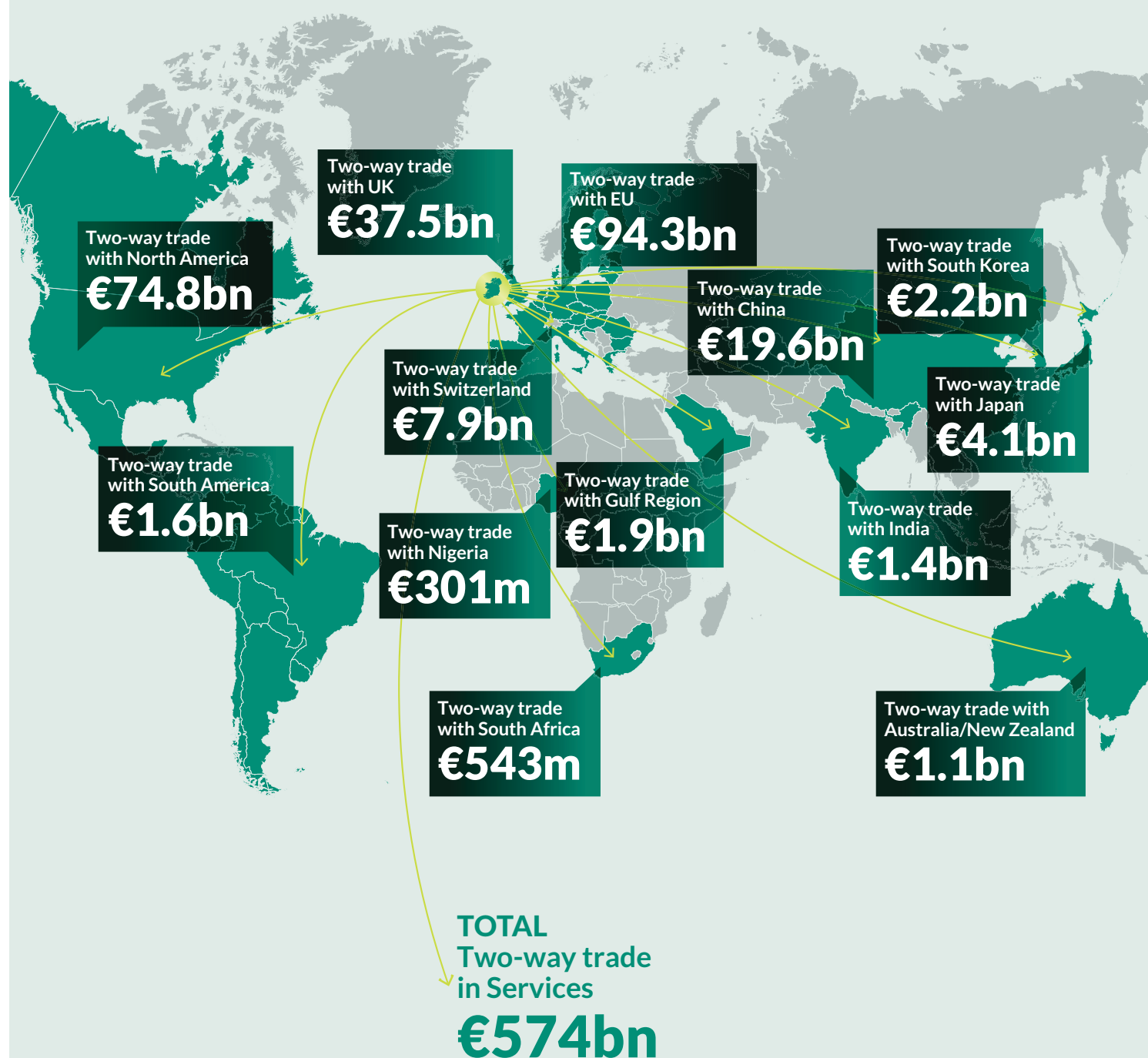


Ireland has a highly developed knowledge economy, focused on services in high-tech, life sciences, financial services and agribusiness, including agrifood. The services sector in Ireland has grown rapidly over the last two decades and is a significant part of our economy.

Much of the growth in services has been due to both an increasing number of expanding Irish services companies across a wide range of sectors and the

intensifying activities of foreign-owned companies operating in Ireland. The growth in 2021 services figures demonstrates that a wide range of services are successfully exported and that Irish companies have the capability and experience needed to succeed in services exports. Growth was particularly strong in life sciences and technology sectors as demand for healthcare technologies and services that enable remote working and the digital economy increased.

1.6 Two-way Trade Flows in Goods between Ireland and Key Trade Partners in 2021



2 Trade and Investment Council



In May 2021, the Tánaiste established the Trade and Investment Council. The Council brings together Ministers, the heads of trade promotion agencies and industry stakeholders. Given the dynamic environment of international trade and the ongoing global challenges, the Council, on behalf of the Government, decided that a trade and investment strategy was required, one that takes account of the changes occurring in the global economy.

The Council is chaired by the Tánaiste, with the Minister for Trade Promotion as vice-chair. The Government Members of the Council are:

- the Minister for Foreign Affairs;
- the Minister for Agriculture, Food and the Marine;
- the Minister for Transport;
- the Minister for Further and Higher Education, Research, Innovation and Science;
- the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media; and
- the Minister of State with special responsibility for financial services.

Other members of the Council include the heads of relevant trade and investment promotion agencies, research funding agencies, representative and business organisations – IBEC, Chambers Ireland, AmCham, ISME and the Irish Exporters Association.

This new Council provides a forum to enable policy issues to be considered in consultation with key stakeholders and to maximise cross Departmental and agency co-operation at home and abroad.

COVID-19, international taxation, Brexit, geopolitical and trade and investment tensions all impact the global trade environment. These are just some of the key challenges requiring consideration with Government colleagues, agencies, and key industry stakeholders, in the context of reinvigorating and recalibrating the focus and direction of Irish trade and investment policy in the years ahead.

The Council oversaw the preparation of a new Trade and Investment Strategy which was agreed by Government in March 2022.

The Government's new trade and investment strategy, 'Value for Ireland, Values for the World' was launched on 12 April 2022. Recognising that trade policy plays an important role in promoting and protecting Ireland's values and standards, the overarching goal of the strategy is to see Ireland grow sustainably, diversify export markets, and support continued prosperity and higher living standards. Ireland's new Trade and Investment Strategy implements the Programme for Government 'Our Shared Future' and is a key commitment in the Government's Economic Recovery Plan.

This strategy seeks to best-position Ireland's trading and investment relationships right around the globe. Maximising benefits and addressing risk will be a priority requiring greater effort and collaboration across the whole of government, bringing synergy, creativity and urgency to the existing suite of strategies across trade and investment.



Working closely and collaboratively with colleagues from across government, state agencies, and representatives of business organisations, the Department of Enterprise, Trade and Employment has identified seven priority actions for the new Trade and Investment Strategy, which are set out below:

1. **Support Ireland's Economic and Trade Ecosystem:**
By leveraging existing agency efforts to enhance our competitiveness.
2. **Review and refresh the Local Market Teams (LMTs):**
Ireland's network of overseas offices (embassies and agencies) are important assets in advancing Ireland's trade and investment agenda. Greater coordination and collaboration across this network and operating as LMTs, will maximise deliver of the Government's trade and investment objectives.
3. **Work to address supply chain risk by positioning Ireland within Global Value Chains.**
4. **Communicating Ireland's Interests as a Trading Nation:** Highlighting the benefits of international trade and investment to a broader Irish audience.
5. **Maximising Ireland's return from EU Free Trade Agreements**
6. **Team Ireland - Trade Mission Week:** to support the Government's drive towards market diversification and assist in the development and expansion of Ireland's exports, tourism and inward investment from existing and new markets.
7. **Reaping the Benefits of the EU Single Market:** working to remove barriers to trade.

Working within the oversight structures of the Trade and Investment Council, DETE has taken great care to ensure that this Trade and Investment Strategy addresses not only trade and investment issues but also climate and sustainability challenges by setting out our principled and holistic approach to trade policy. The implementation of this Strategy and Action Plan 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. The new Trade and Investment Strategy provides the overarching framework for sector specific strategies.

3 Trade and Investment Missions



3.1 Trade and Investment Missions

Ministerial-led trade missions support the Government's drive towards increasing trade and investment.

Delivering the annual programme of Ministerial-led trade missions is an integral part of the work of this Department and its enterprise agencies - Enterprise Ireland and IDA Ireland – which work to develop and expand Ireland's exports to and inward investment from existing and new international markets.

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

In recent years, our approach has proven to be very successful in terms of establishing Ireland's credibility with, and gaining access to, the business community in target markets. Trade missions raise Ireland's profile as a world-class supplier of goods and internationally traded services. They also provide Ireland with a platform to compete for foreign direct investment into Ireland.

The 2021 Trade Mission Programme was developed to support enterprise sectors following the sudden cessation of international travel in 2020. However, COVID-19 continued to severely effect all regions of the world and travel restrictions continued. Throughout 2021, Ireland based companies showed remarkable resilience and the ability to adapt their business in response to the ongoing challenges presented by COVID-19 and Brexit.

This Department and its agencies adapted the Trade Mission programme 2021 to a virtual format for most of the year while also continuing to work remotely. Over 30 virtual ministerial events were delivered in 2021. In the latter half of the year, as international travel resumed, a number of Ministerial-led in-person trade missions took place to Ireland's key trading partners.

The Tánaiste led the first 2021 Trade Mission to the UK, France and Germany; it was jointly organised by Enterprise Ireland and IDA Ireland.





UK and Eurozone - September

Led by the Tánaiste, the three-day mission commenced in the UK which highlighted the strength of the long-standing business relationship between Ireland and the UK following the EU-UK Trade Agreement and the impact of COVID-19.

London

An innovation exchange and roundtable events were held with UK Local Authorities on insurance and health tech innovation; and 35 companies participated in buyer meetings.

Paris

France is a key trading partner for Ireland and our nearest EU neighbour. In Paris, meetings took place with Réseau de Transport d'Electricité and EirGrid, partners in the Celtic Interconnector project with representatives from Le Grand Paris project - the largest transport and infrastructure project in Europe - focused on mobility, sustainability and urban development in the Ile de France region.

Berlin

On the final day of the joint EI / IDA trade mission to UK and Eurozone, the Tánaiste visited the European School for Management Training (ESMT), the prestigious Berlin based business school that is actively supported by top

global German companies. EI has partnered with ESMT to develop management capability in Irish companies to trade and invest in the Eurozone. During the visit, the Tánaiste met (virtually) with the fourth group of Irish companies to participate on the programme as well as key ESMT people and DETE Berlin colleagues.

Finland and UK - November

Helsinki

Minister Troy launched Ireland's presence at SLUSH, Helsinki - a global event for start-ups in the Nordics. Six Irish companies attended as part of the IRELAND@SLUSH delegation in conjunction with Enterprise Ireland and IDA.

Liverpool

Minister Troy led a trade visit to Liverpool to strengthen Ireland's relationship with the North West of England and in particular, Liverpool City Region which is home to the UK base of a growing number of Irish companies across a range of sectors and capabilities. The delegation visited the Port of Liverpool and UK ports operator Peel Ports. In March 2021, the UK government selected the Liverpool City Region as one of eight new freeport sites.



Canada and North America - October

Minister Troy led a five-day Enterprise Ireland and IDA Trade and Investment Mission to Canada and North America. 30 Irish companies participated on the visit to Toronto, Montréal, Boston and New York.

Montréal

Minister Troy TD officially opened the new Enterprise Ireland Montréal office during the visit.

New York

Minister Troy TD met with senior executives from finance, healthcare, education, and technology sectors supporting the growth of the 30 Enterprise Ireland client companies and reaffirming Ireland as an ideal location for Canadian and American companies to establish and grow.

Saudi Arabia and UAE - November

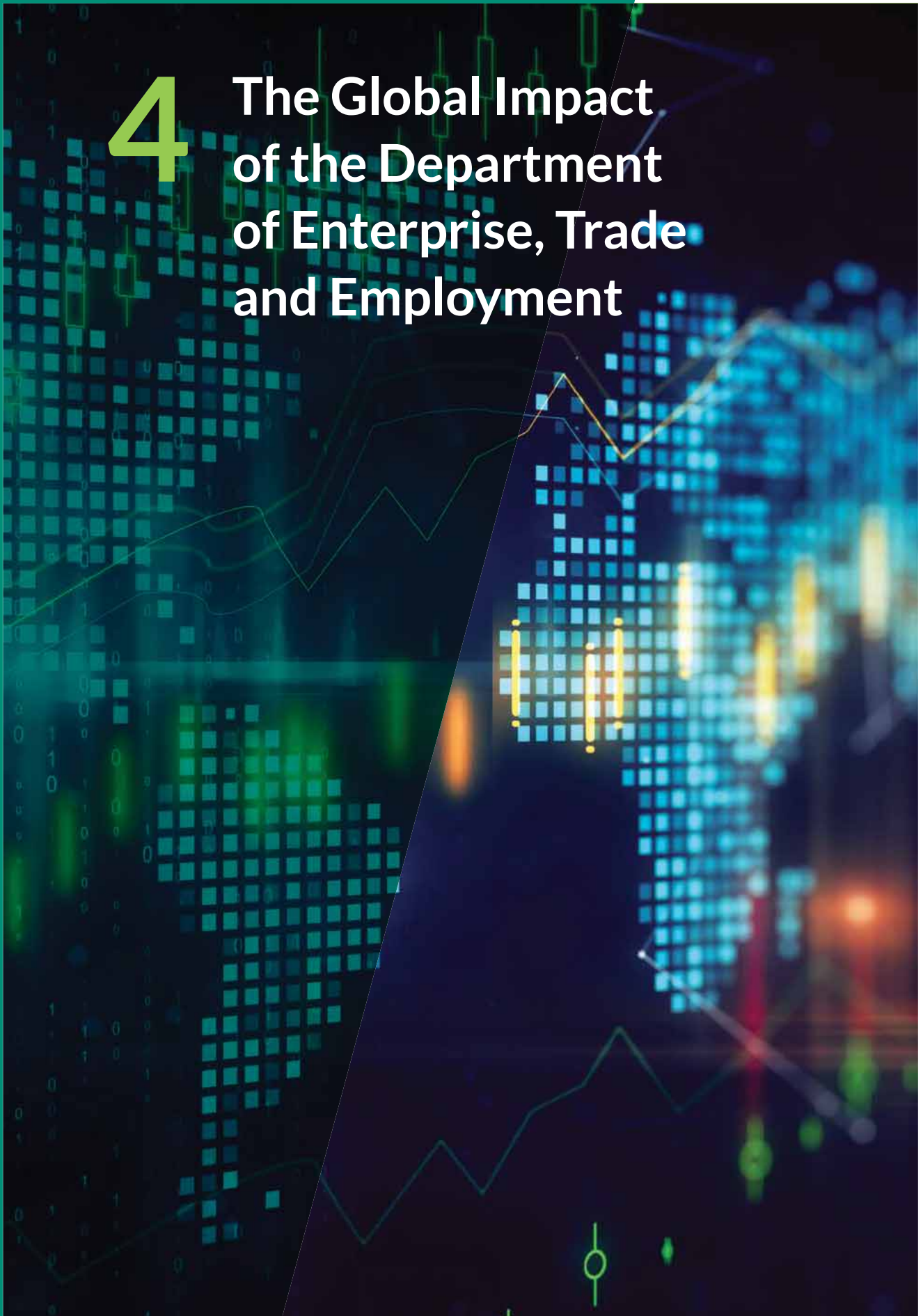
Tánaiste and Minister for Enterprise, Trade and Employment Leo Varadkar TD led an Enterprise Ireland trade mission to Saudi Arabia and the United Arab Emirates (UAE) in November. 60 Irish companies, representing sectors such as aviation, higher education, healthcare, equine, agritech, food, fintech and construction, participated in the five-day visit to support the accelerated export-led recovery of Irish businesses in the Gulf region.

UAE and Qatar - October

Minister Robert Troy TD led an Enterprise Ireland Trade Mission to UAE and Qatar to highlight Ireland's continued participation at WETEX (Water, Energy, Technology and Environment exhibition), the leading cleantech exhibition in the Middle East. During his visit to Dubai, Minister Troy visited EXPO 2020 and officially opened the Ireland Pavilion. He then undertook a programme of activities in Doha to reconnect Irish business with key Qatari end-user groups to strengthen Ireland's post-pandemic return to economic activity.

4

The Global Impact of the Department of Enterprise, Trade and Employment



4.1 Global and Economic Challenges

The economic impacts of COVID-19 continued to dominate the global economy throughout 2021 as economies witnessed a cycle of emerging from COVID-19 related lockdowns and re-entering lockdowns as COVID-19 variants developed and infection rates fluctuated around the world.

The welcomed development of COVID-19 vaccines required a reassessment as to how vaccine production and distribution could be boosted to meet global demand. Despite some early challenges in relation to vaccine availability, by the end of 2021 manufacturing plants in the EU had produced over 2 billion vaccines, exporting nearly half and donating 100s of millions to developing countries through the COVAX facility.

The COVID-19 pandemic has required a global multilateral response. The World Trade Organization facilitated multilateral discussions on an appropriate trade response to the pandemic with the European Union identifying specific trade-related measures within a Trade and Health Initiative. The Initiative's objectives are to enhance global rules to facilitate trade in essential medical goods.

Discussions at the Trade Related Aspects of Intellectual Property Rights (TRIPS) Council at the World Trade Organisation have revolved around a proposal lodged in October 2020 for a temporary waiver to allow all Member countries to choose to neither grant nor enforce intellectual property rights (IPRs) related to COVID-19 products. Ireland continues to engage with the European Commission and other Member States on the EU position. The European Union has participated in the WTO discussions on how the flexibilities within the TRIPS Agreement can contribute towards increasing manufacturing capacity and equitable access to vaccines around the world.

Strengthening and reaffirming the role of the World Trade Organization (WTO) is of paramount importance to provide post-COVID-19 stability and certainty to global markets. Noting the very strong position of the

Irish economy prior to the pandemic, Ireland's status, as a highly open, export-focused economy is particularly sensitive to the economic challenges that an asymmetric recovery will have on global trade relations, and in particular, on the impacts of a lack of supply, rising prices and the rising cost of living due to significant inflationary pressures.

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.

International developments present us with many challenges and opportunities, but it is hoped that a renewed focus in the WTO under Director General Dr Ngozi Okonjo-Iweala will be a key catalyst to securing necessary global responses anchored within a multi-lateral framework, all the while ensuring that the WTO adapts to the changing global trading environment.

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

4.2 Brussels – European Union

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

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

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.

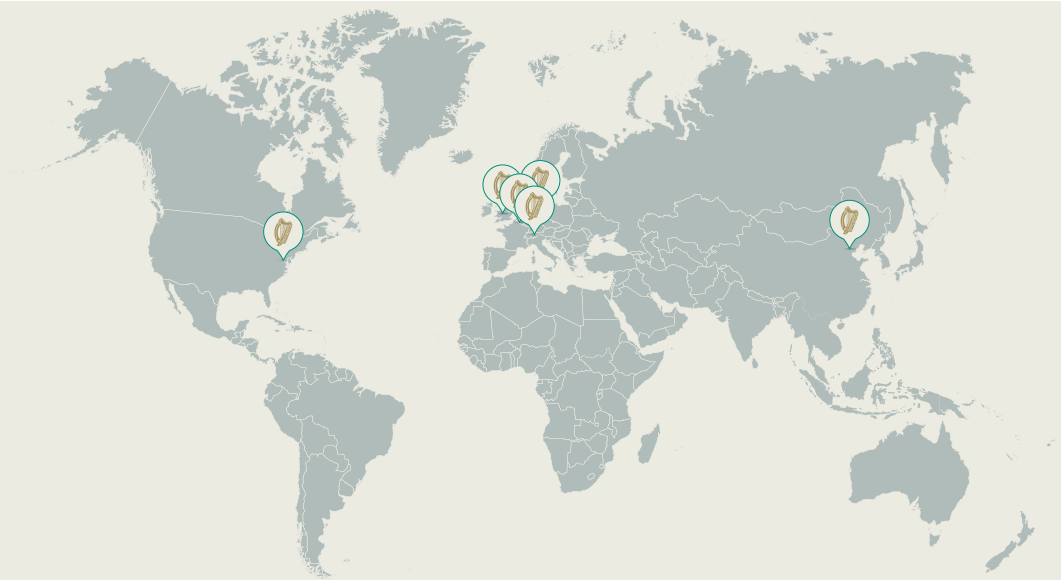
The TPC deals with trade policy matters within three main areas:

- 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.

On 1 August 2020, an EU-Vietnam trade agreement entered into force. The agreement is the most comprehensive trade agreement the EU has concluded with a developing country. Negotiations on Free Trade Agreements with Australia, New Zealand, Chile continued in 2021 and the EU and India agreed to resume negotiations on an FTA.

By actively participating in this Committee, the Department's representatives are able to promote Ireland's interests, while seeking to protect areas of particular sensitivity.



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 the Tánaiste 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 transatlantic landscape improved considerably during 2021, though tensions remain in respect of regulation of the digital economy. Existing trade disputes between the EU and the US were de-escalated, with tariffs associated with the Large Civil Aircraft WTO disputes suspended for a period of five years, and tariff free trade in steel and aluminium was restored to 2018

levels. The dispute on digital services taxes was resolved with US tariffs withdrawn, after a political agreement was reached at the OECD on a framework for international taxation of large multinational companies. The establishment of the Trade and Technology Council (TTC), which met for the first time in late September, represents a useful forum for high-level political engagement (and technical engagement across 10 working groups) on a range of topics of interest to Ireland, including global trade challenges, supply chain cooperation, export controls and investment screening. The TTC could potentially facilitate greater economic integration between the EU and US, while providing a forum for engagement on areas of disagreement also. In this regard, the regulation of the digital economy and the EU's legislative framework focussed on large platforms has become an area of increasing tension. The US also maintains a strong domestic focus as they seek to recover economically, with American jobs at the forefront of international policy and Buy American rules tightening and impacting on domestic production and relations with close trading allies.

The Tánaiste visited Washington DC in late-September for a series of high-level political engagements. Over the course of two days, the Tánaiste met with the US Trade Representative, Ambassador Katherine Tai, Secretary of Commerce Gina Raimondo and key legislators on Capitol Hill, including Senators Patrick Leahy, Pat Toomey and Chris Murphy, and Congressmen Bill Keating and Dan Kildee. During the visit, the Tánaiste also addressed the US Chamber of Commerce and the Centre for Strategic and International Studies (CSIS), and briefed a group of US and Irish journalists. The Tánaiste highlighted the role Ireland has to play in the wider global economy as an open, advocate for free trade and the rules based international system, and reiterated our strong voice against protectionism. He emphasised the strength of the trade and investment relationship that Ireland and the United States enjoy. In this regard, he launched a project that the Department of Enterprise, Trade and Employment, and the Embassy of Ireland, are undertaking to map the Irish economic connections that exist across the United States and in 20 States in particular. The project will produce a series of fact-sheets that will be launched by the Embassy in advance of Saint Patrick's Day 2022.



Tánaiste, Leo Varadkar (centre), with Irish Ambassador to USA, Daniel Mulhall (left), and Secretary General of the Department of Enterprise, Trade and Employment, Dr Orlaigh Quinn (right) launching a project to map the Irish economic connections across the USA, in advance of St Patrick's Day 2021.

4.6 Berlin

The Department appointed a senior official at Counsellor level to the Irish Embassy in Berlin in September 2019.

With this appointment, the Department is developing closer bilateral contacts with Germany, a strategically important EU member state for Ireland, in core policy areas of interest including industry, trade, investment, research and innovation, data and digital, regulatory, and employment. This is opening up opportunities to further develop and deepen links with Germany, including further business and research links. The Counsellor co-ordinates the German Local

Market Team, and provides support and assistance to Enterprise Ireland and IDA Ireland in pursuing their respective remits in Germany, and to Science Foundation Ireland and its parent Department, as key stakeholders. The Counsellor also engages in wider areas of interest to the Department with a broad range of other governmental entities and non-governmental representative stakeholders in Germany.

Case Study

Berlin Science Week

During Berlin Science Week, DETE Berlin team supported three online events showing some of the best of what Ireland has to offer in Future Manufacturing Industry 4.0/5.0, and organised a social media campaign, showcasing selected prime examples of Ireland's research and innovation collaborations with German industry and research groups, working closely on all of this with colleagues in DETE and DFHERIS, as well as with EI, SFI and IDA. The online events were presented by SFI's research centre for smart manufacturing, CONFIRM, and SFI's research centre for software, Lero. CONFIRM hosted two events:

- 'Manufacturing the Future', which focused on the use of artificial intelligence and robotics in manufacturing, and
- '3D Printing for Healthcare' which looked at how 3D printing can be used in medicine and hospitals.

The Lero event, 'Creating the Future in Smart Manufacturing', explained the real-world collaborations between the IMaR Research Centre at Munster Technological University and German companies Kostal and Liebherr on Industry 4.0 and related technologies. Our social media campaign shone a spotlight on 11 research projects and initiatives spanning a range of topics, many of which are business-orientated or already have commercial use. These projects involve 28 research institutes and universities and 17 enterprises from Ireland and Germany. These Berlin Science Week initiatives highlight the fundamentally important links between research and innovation and industry, which are the solid building blocks in stimulating and supporting future trade, investment and innovation relationships between Irish and German businesses and researchers.

Professor Joseph Walsh and Kieran O'Donoghue discuss the Industry 4.0 collaboration between Munster Technological University, Science Foundation Ireland's Lero research centre and Kostal GmbH.



4.7 Beijing

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

The post of Trade Counsellor was created and first filled in January 2020. As part of the Embassy Team, the officer is deepening links with central and local governments on trade related issues and promoting Brand Ireland by engaging with government organised trade expos, actively participating in the Local Market Team and providing assistance to the Irish agencies in China when required.

Travel restrictions and quarantine requirements in China have meant little or no foreign visitors and no trade missions from outside China since the beginning of the pandemic. In the absence of Ministerial visits or trade missions, trade promotion and outreach has taken place at the various Trade Fairs and Expos held around China.

Case Study

Chinese International Fair for Trade in Services

Organised jointly by the Central Government's Ministry of Commerce and the Beijing Municipal Government, the Chinese International Fair for Trade in Services (CIFTIS) is the world's largest comprehensive exhibition in the global trade in services sector and the largest and highest-level trade event held in Beijing. CIFTIS, together with the China International Import Expo (CIIE) held in Shanghai, and the Canton Fair in Guangzhou, make up China's three major trade exhibition platforms.

Ireland was selected as the Country of Honour for CIFTIS 2021, presenting Team Ireland in China with a valuable platform to promote Brand Ireland.

Embassy Beijing's Economic and Trade Section, in consultation with the four Irish state agencies, successfully coordinated the design of a comprehensive

Country of Honour Pavilion: a 240sqm, multimedia equipped, highly interactive exhibition space located in a prominent location in the main exhibition hall. A Country Promotion Seminar was also organised en marge of the Fair.

Embassy staff manned the Pavilion reception throughout the Fair, and together with State agencies and representatives of exhibitors, met with approximately 15,000 visitors who visited the Irish Pavilion. Among the high level visitors were three CPCCC Vice Premiers, a number of Ministers and Vice Ministers, and representatives from various provincial and municipal governments. Many of these high level visitors expressed interest in potential importation of high-tech products and food, investment in Ireland and Ireland as an education destination.

Flanking the dancers at the CIFTIS Irish Pavilion from left to right are: Peter Yang (EI), Connor O'Sullivan (BordBia) Joe Keating (Embassy/DETE), Ambassador Ann Derwin, and, Iris Wang (Tourism Ireland) Jervy Zhang (IDA) and Echo Lin (Embassy).



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.

Case Study

The EU Delegation in the UK

The European External Action Service (EEAS) is the European Union's diplomatic service and brings together EU civil servants, diplomats from the foreign services of EU member states and local staff in countries around the world. These Delegations play a vital role in representing the EU and address all policy areas of the relationship between the EU and the host country – be they political, economic or trade.

The EU Delegation in the UK is one of their 143 diplomatic representations and was established following the UK's withdrawal from the EU to promote EU policies in the UK by engaging with the UK Government, political actors, media, academia, business, civil society and the wider British public.

The Department's team at the Embassy of Ireland in London is responsible for leading the engagement with the EU Delegation in the UK across a range of trade and

economic issues. The EU Delegation has established a number of working groups at Counsellor level, including Trade, Digital Affairs, Competition, Research and Labour. The Department works closely with EC experts based in the EU Delegation, officials from the EU 27 embassies and colleagues in DETE to ensure Irish interests are reflected in ongoing consultations across key trade, enterprise and employment files.

An important element of this engagement includes triangulating information flows between DETE, London and other missions abroad. The Department's team in London engages regularly with HQ colleagues and other missions abroad to ensure consistency in respect of policy and messaging across the various bilateral and international fora. The EU Delegation in the UK is a relatively recent construct, but its role is likely to increase in scope and scale as we construct the new trade and economic relationship with the UK.

4.9 Geneva – International Organisations

4.9.1 World Trade Organization (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 Organization. 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 work of the WTO is guided by Ministers who meet every two years.

The 12th Ministerial Conference was due to take place in late 2021 but was postponed after the outbreak of the Omicron variant of COVID-19 which led to several governments imposing travel restrictions that would have prevented many Ministers attending. Subsequently, the Ministerial Conference was rescheduled for June 2022.

Despite the postponement of the Ministerial Conference, a declaration to conclude the negotiations on Services Domestic Regulation was held on 2 December 2021 which was co-hosted by the EU, Australia, and Costa Rica. The initiative was supported by 67 WTO Members (including Ireland as a member of the EU), covering more than 90% of global trade in services. Additionally, a number of statements were issued regarding the ongoing work in areas such as Investment Facilitation, e-Commerce, and Trade and Environmental Sustainability Structured Discussions. Work will continue on such initiatives in 2022. Decisions taken at Ministerial Conference are implemented through the WTO's General Council and various implementing and negotiating bodies which meet regularly in Geneva.

At the WTO, the Department's officials represent Ireland's interests at various EU and WTO meetings across a broad range of sectors and current negotiating topics such as: e-commerce; facilitation of investment; 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.



Tánaiste and Minister for Enterprise, Trade and Employment, Leo Varadkar TD meets Director General of the WTO, Dr Ngozi Okonjo-Iweala.

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.

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 Member 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 Free Trade Agreements

The EU has the largest Free Trade Agreement Network in the world, with 41 trade agreements covering 72 countries worldwide and accounting for 39% of the EU's external trade. This growing network of trade agreements creates opportunities for workers across Europe. Trade with countries outside the EU supports 36 million jobs in the EU. Foreign investment into the EU supports 16 million European jobs. The EU negotiates on behalf of all Member States so businesses and consumers can buy and sell goods and services on global markets that would be difficult for small nations like Ireland to access. It is estimated that international trade supports around 650,000 jobs in Ireland, particularly in the agrifood, pharma, medical devices, med-tech, and financial services sectors.

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 example, as part of the negotiations there are generally steps agreed which aim to make it easier for Irish companies to:

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



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



Australia –

The negotiations were launched in June 2018. By the end of 2021, eleven rounds of negotiations had taken place with substantial progress being made across the agreement. Ireland exported €889m worth of goods to Australia in 2020. Australia is the 14th largest economy in the world.



New Zealand –

Operating to a similar schedule as Australia, these negotiations were also launched in June 2018, and there have been eleven rounds up to the end of 2021. According to an EU impact assessment, as a result of the agreement trade between New Zealand and the EU could increase 36%. The FTA was subsequently agreed on 30 June 2022



Singapore –

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



Vietnam –

The Free Trade Agreement and Investment Protection Agreement were signed in June 2019. The European Parliament approved the agreements in February 2020. The Trade Agreement was approved by the Vietnamese National Assembly paving the way for its entry into force on 1 August 2020. As part of the FTA, Vietnam has committed to make efforts to ratify outstanding core International Labour Organization conventions to protect the rights of workers.

The investment protection agreement with Vietnam will still need to be ratified by all Member States. Once ratified, it will replace the bilateral investment agreements that 21 EU Member States currently have in place with Vietnam.



South Korea –

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



Japan –

The Economic Partnership Agreement between the EU and Japan was signed on 17 July 2018 and came into effect on 1 February 2019. Tariff reductions will be delivered on a phased basis over a period of 15 years. The agreement removes tariffs on 99% of EU exports to Japan. The agri-food sector, medical devices and pharmaceutical products will see particular benefits.



Mercosur –

Mercosur comprises Argentina, Brazil, Paraguay and Uruguay. Together this is a market of 260m people. In June 2019 a political agreement on a comprehensive trade agreement was reached. In addition to cutting tariffs the agreement promises to ease the customs and compliance procedures that EU firms experience when exporting to the region. 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. The Government will only proceed with it when it is satisfied with the environmental protections.



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 technical discussions have since concluded. However, it is not yet clear when negotiations will reach political conclusion.



China –

The EU and China concluded negotiations for a Comprehensive Agreement on Investment in December 2020. If ratified, CAI will provide an improved and fairer legal framework that will improve access for European and Chinese investors to each other's markets. Notably, CAI also marks the first time China has agreed to solid provisions on sustainable development, including labour. The legislative process for ratifying CAI is currently suspended, following the European Parliament's resolution in May 2021 as a result of retaliatory sanctions from China.

5.4 European Union and United States

There were three major positive developments in EU-US Trade relations in 2021.

Firstly, an EU-US Summit was held in Brussels on 15 June 2021, the first such bilateral summit in seven years. Several trade related initiatives were agreed by EU Commission President Von Der Leyen, EU Council President Michel and US President Biden including:

- The establishment of an EU-US Trade and Technology Council.
- The suspension of tariffs in the WTO Airbus/ Boeing disputes for a period of five years and an understanding on a Cooperative Framework for Large Civil Aircraft, reflecting a new transatlantic relationship in this area.

Secondly, following its establishment at the EU-US Summit in June, the EU-US Trade and Technology Council (TTC) met for the first time in Pittsburgh on 29 September 2021. It was co-chaired by European Commission Executive Vice President Margrethe Vestager, European Commission Executive Vice President Valdis Dombrovskis, US Secretary of State Antony Blinken, US Secretary of Commerce Gina

Raimondo and US Trade Representative Ambassador Katherine Tai. After the meeting, a Joint Statement was released identifying 5 specific areas for co-operation between the EU and US with the intention of achieving concrete outcomes on these issues by the time of the next meeting of the TTC, which took place in Paris on 15-16 May 2022. Those areas were AI, Semiconductors, Investment Screening, Export Controls and addressing Global Trade Challenges.

Lastly, on 31 October 2021 the EU and US reached an agreement on a way forward to settling the steel and aluminium tariff dispute dating from the previous US administration, meaning that US tariffs on steel and aluminium, along with EU countermeasures against the US, were lifted as of 1 January 2022 and replaced by Tariff Rate Quotas (TRQs). The EU and US have also established a Global Arrangement on Sustainable Steel and Aluminium which is intended to facilitate the decarbonising of the steel and aluminium industries, as well as addressing the issue of overcapacity in these industries caused by non-market practices in some economies.

5.5 EU-UK Trade and Cooperation Agreement

The Trade and Cooperation Agreement was signed on 30 December 2020, was applied provisionally as of 1 January 2021 and entered into force on 1 May 2021. The Agreement avoids the worst-case scenario of no deal – but is unique in being a trade agreement that reduces rather than enhances market access.

Why is this agreement different from other agreements covering trade?

- This is the only time the EU negotiated an agreement with a former member of the European Union. It deals with the management of divergence, rather than seeking convergence.
- The agreement covers a wide range of areas, from fisheries to justice and home affairs, that go far beyond usual Free Trade Agreements.
- The agreement is unprecedented given the geographic proximity of the UK and the degree of economic convergence and mutual interdependence.
- It allows for tariff and quota free EU-UK trade in goods, subject to significant nontariff barriers e.g., customs formalities, rules of origin requirements and level playing field provisions. The agreement includes very limited provisions on trade in services, significantly reducing EU-UK market access.

Trade in Goods and Services		EU-UK Trade and Co-operation Agreement	EU Member State
	TRADE IN GOODS		
	Frictionless trade	✗	✓
	Zero tariffs or quotas	✓	✓
	Zero customs formalities	○	✓
	Zero SPS checks	✗	✓
	Zero rules of origin procedures	○	✓
	Fisheries agreement	○	✓
	Benefit from the EU's international agreements	✗	✓
	○ Special conditions related to EU-UK Trade and Co-operation Agreement		
	TRADE IN SERVICES		
	Financial services passport	✗	✓
	Easy recognition of professional qualifications	✗	✓

Source: European Commission 2020

The Withdrawal Agreement and the Ireland/Northern Ireland protocol upholds measures to:

- Avoid a hard border between Ireland and Northern Ireland
- Protect the EU Single Market and Ireland's place in it
- Recognise the Common Travel Area
- Continue North-South cooperation
- Maintain the Single Electricity Market
- To avoid a hard border on the island, Northern Ireland is in the UK customs territory while also continuing to apply EU customs rules and certain EU legislation.
- Companies in Northern Ireland maintain access to the EU Single Market for Goods – subject to the same level playing field terms that apply to companies in the EU. The movement of goods from Great Britain to Northern Ireland is subject to some checks and controls.
- Northern Ireland is now outside of the EU Single Market for Services.

Extensive contingency planning by Ireland for new EU-UK trading relationship

While the US and EU are more significant trading partners, Ireland is however uniquely exposed to Brexit within the EU due to close economic and geographic ties with the UK. Numerous mitigating actions and extensive contingency planning since 2016 to reduce the impacts of Brexit on businesses. This work is continuing to ensure disruption is limited.

Budget 2021 takes expenditure on Brexit measures across successive Budgets to over €1 billion. Financial supports include the €300m Brexit Loan Scheme, the €800m Future Loan Scheme, the 'Ready for Customs' grant. The €3.4 billion Recovery Fund announced in Budget 2021 in response to COVID-19 will also provide support for businesses impacted by Brexit.

5.6 European Union Trade Policy Review – An Open, Sustainable and Assertive Trade Policy

On 18 February 2021, the European Commission set out its trade strategy for the coming years. The strategy reflects the concept of open strategic autonomy and builds on the EU's openness to contribute to the economic recovery through support for the green and digital transformations. It also contains a renewed focus on strengthening multilateralism and reforming global trade rules to ensure that they are fair and sustainable.

Where necessary, the EU will take a more assertive stance in defending its interests and values, including through new tools.

Sustainability at the heart of its new trade strategy, supporting the fundamental transformation of its economy to a climate-neutral one. The strategy also includes a series of headline actions that focus on delivering stronger global trading rules and contributing to the EU's economic recovery.

In the medium term, the strategy has 3 core objectives:

- supporting the recovery and fundamental transformation of the EU economy in line with its green and digital objectives.
- shaping global rules for a more sustainable and fairer globalisation.
- increasing the EU's capacity to pursue its interests and enforce its rights, including autonomously where needed.

In pursuit of these objectives, the strategy focuses on six priority areas:

1. Reform the WTO
2. Support the green transition and promote responsible and sustainable value chains
3. Support the digital transition and trade in services
4. Strengthen the EU's regulatory impact
5. Strengthen the EU's partnerships with neighbouring, enlargement countries and Africa
6. Strengthen the EU's focus on implementation and enforcement of trade agreements, and ensure a level playing field

From Ireland's perspective, it is vitally important that the EU's continued 'openness' to trade and its attractiveness as a destination for investment remain at the centre of our Trade Policy.

5.7 EU Free Trade Agreements - Impact Assessments for Ireland

In 2021, the Department of Enterprise, Trade and Employment published two impact assessment studies on EU Free Trade Agreements.

5.7.1 Four EU Free Trade Agreements – Opportunities and Impacts for Ireland

This independent report³ by Copenhagen Economics and published by the Tánaiste and Minister Troy in April 2021 provides an assessment of the potential economic opportunities and impacts for Ireland from the European Union's Free Trade Agreements with South Korea, Canada, Mexico and Japan.

The principal findings are:

- real wages are expected to increase between 2.6 and 4.4% in 2030 due to the FTAs, with the largest increases found for low-income workers
- Irish GDP will be 2.3% higher in 2030 than would have been the case without the four FTAs in place
- the higher GDP is driven by an increase in global total Irish exports of 3.3% and an increase in global imports of 3.3%
- increased market access benefits Irish exporters who can specialise in production, where they have a comparative advantage and are productive relative to competitors
- as a small open economy with a limited home market, Irish producers will benefit more than producers in large countries who can gain scale in their home markets

Ireland currently exports over €20bn in goods and services to the four specific FTA partners subject of this study, equivalent to almost 6% of total Irish exports of goods and services in 2019. These markets are growing as significant export destinations for Ireland, with exports to these partners increasing by 270% – almost threefold - over the last decade, over twice the rate of growth in total global Irish exports of 126% in the same period. The study indicates early benefits are arising from the FTAs since their application. For example, exports to South Korea grew 19% per year since 2015 and 22.8% per year since 2017. Irish goods exports to Canada increased from €953m in 2016 to more than €1.7bn in 2020 (+78%) and services exports grew from €1.6bn in 2016 to more than €2.3bn in 2019 (+44%).

3. The report is available on the Department of Enterprise, Trade and Employment website:
[Four EU Free Trade Agreements – Opportunities and Impacts for Ireland](#)

5.7.2 Economic and Sustainability Impact Assessment for Ireland of the EU-Mercosur Trade Agreement

This independent study⁴ includes an analysis of the potential economic benefits of the EU-Mercosur Trade Agreement, as well as a sustainability impact assessment including social, human rights and environmental impacts that the Agreement could have in Ireland and the Mercosur countries.

The study was commissioned by the Department of Enterprise, Trade and Employment in conjunction with the Department of Agriculture, Food and the Marine

and was undertaken by the Danish firm, Implement Consulting Group.

The key findings are:

- The Mercosur market is currently relatively small for Ireland, accounting for 0.6% of global Irish exports and 0.3% of global Irish imports in 2018. Ireland exported €1.8bn in goods and services to Mercosur and imported €811m in 2018, giving Ireland a trade surplus with Mercosur of €963m.
- Overall, the report finds broadly positive impacts for Ireland from the Agreement. The study projects that GDP for Ireland will be 0.13% (€547m) higher in 2035 relative to a baseline scenario (i.e. without the Agreement), compared to 0.11% for the EU and 0.99% for Mercosur. As a result of direct (bilateral) and indirect impacts (e.g., supply from Ireland to global value chains for products landing in the Mercosur market) of the Agreement, Ireland's global exports will increase by 0.24% (€1.1bn) and imports by 0.27% (€750m).
- Consumers will benefit from a slight reduction in prices (up to -0.15%) and real wages are forecast to increase by 0.11% on average across all skills groups.
- The study found that the environmental impact was marginal. Without any mitigating actions to neutralise additional production induced by the Agreement such as clean technologies, green procurement, reforestation, or through emissions trading, Global Green House Gas (GHG) emissions are forecast to be 0.03% higher in 2035 than they would have been due to the Agreement. For Ireland, GHGs are projected to be 0.06% higher, the EU 0.07% higher and Mercosur 1.4% higher. The modelling estimates that agri-food production will increase in Mercosur by 0.1-1.1% and consequently a limited and proportionate increase in land use intensity is forecast.
- Regarding the beef sector, under the Agreement, the EU has granted Mercosur an additional quota of 99,000 tonnes of beef for export to the EU market at a reduced tariff rate of 7.5%.
- Overall, the study estimates that through a combination of greater utilisation of existing quotas and the conversion of existing 'out-of-quota' imports to imports under the new quota, the Agreement is expected to increase beef imports to the EU from the Mercosur countries by approximately 53,000 tonnes. Assuming all of this increase is at the high-end cuts of the beef market, this would translate to a fall in producer returns in the EU of approximately 2%, without any mitigating actions in the meantime. For Irish beef farmers this would equate to an aggregate reduction in the value of Irish beef output of between €44m and €55m from a total value of Irish beef output of €2.3bn in 2019.
- The report finds no evidence that the Agreement in any way lowers EU food standards, that there is an in-built dispute mechanism for any breaches of animal and plant 'SPS' provisions and that the Agreement encourages dialogue on a range of issues relevant to food standards, animal health and welfare.

4. The report is available on the Department of Enterprise, Trade and Employment website: [Economic and Sustainability Impact Assessment for Ireland of the EU-Mercosur Trade Agreement - DETE \(enterprise.gov.ie\)](#)

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- Regarding potential deforestation associated with increased beef production in Brazil, the report estimates that the Brazilian share of increased exports to the EU will be 20,000 tonnes, compared to annual Brazilian beef production of 11 million tonnes. In this context, any increased exports from Brazil to the EU (0.2% increase in production) could easily be managed within existing production levels and are not, therefore, expected to create any additional land use requirements.
 - The report finds that the Trade and Sustainable Development (TSD) Chapter affirms the parties' commitment to international environmental and labour agreements/conventions, including the Paris Agreement. The TSD Chapter also contains provisions for dispute settlement which are binding on the parties, and that the European Commission is seeking to negotiate additional text to the Agreement on sustainability, particularly regarding commitments on climate change and deforestation.
 - The study also points to positive aspects anticipated from the Agreement with regard to support for SMEs and enhanced protection for Intellectual Property (IP) and Geographical Indications including Irish Whiskey and Irish Cream. The Agreement also opens up the Mercosur public procurement market to EU providers. This is a significant advantage over third countries as the Mercosur countries are not part of the WTO Government Procurement Agreement, and will provide opportunities for Irish exporters in areas such as education, health and pharmaceuticals.

5.8 EU FTA - Roundtable Events

To coincide with the Department's publishing of the Copenhagen Economics Report 'Four EU Free Trade Agreements – Opportunities and Impacts for Ireland', we collaborated with Enterprise Ireland to host four virtual roundtable events for Irish enterprises. Each event was tailored to one of the featured countries in the report, namely Canada, Japan, Korea and Mexico.





The objectives of these webinars were to:

- promote the benefits of the EU FTA to Irish exporters
- promote the market opportunities to Irish companies
- highlight success of Irish businesses already in the market and share their experiences on how to do business in that market

Minister Robert Troy TD provided the opening address for all four webinars and highlighted the benefits of trading with each country as well as providing assurances of the Irish government's commitment to investing in Ireland's ambitious exporters.

More than 500 registered to attend the four events with companies from multiple sectors at each webinar.

How Four EU Trade Agreements have benefitted Irish companies

 <p>Hanna Hats of Donegal Ltd (textile manufacturer)</p> <p>"The trade deal with Canada has been a tremendous support to our company and has allowed us to significantly grow our sales in this marketplace."</p>	 <p>Flahavan's, Co. Waterford (food and beverage)</p> <p>"The EU-South Korea Free Trade Agreement has made it easier to do business with tariffs on our goods going into market currently reduced and on a path to being removed entirely."</p>
 <p>Ornua (dairy co-operative)</p> <p>"This year Ornua expects 90% growth in its Mexican butter business despite the challenges of COVID-19, and the trade agreement with Mexico will also deliver significant new market access for other products."</p>	 <p>Connolly's RED MILLS, Co. Kilkenny (animal feed and agri-services)</p> <p>"The EU-Japan Economic Partnership Agreement provides the confidence for us to continue to invest, broaden our product ranges and grow our trade relations with Japan."</p>

5.9 EU Single Market

To ensure compliance with UN and EU obligations and to protect Ireland's reputation internationally, our trade policy will continue to promote the application of UN and EU trade sanctions and EU Export Controls. Our domestic legal framework for export control is being updated in close alignment with our EU and global partners and we are introducing legislation on investment screening

Ireland's membership of the European Single Market has led to many benefits for Irish businesses. Having access to a market of approximately 450 million has been particularly beneficial to Irish exporters, especially for a country with a relatively small domestic market. Having access to the Single Market also adds to Ireland's attractiveness as an FDI location. While barriers to trade still exist in the Single Market, particularly in services where various specific policy issues are owned by many Government departments, this Department continues to work across Government and with the European Commission and other Member States, to remove existing barriers and to ensure new ones are not created.

In 2021, the Department established an Interdepartmental Network to increase awareness of Ireland's obligations under the Services Directive (Directive 2006/123/EC). The Services Directive's focus is to unlock the potential of the EU Single Market for services in order to boost economic growth, create jobs and increase the quality and choice for consumers by making it easier for service providers to operate on a cross-border basis.

5.9.1 Investment Screening

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. The development of an investment screening mechanism sits comfortably as part of the European Union's and Ireland's broader trade defence toolkit.

5.9.2 Export Control

Ireland rigorously enforces EU and national Export Controls, designed to prevent the proliferation of weapons of mass destruction, to support regional stability and to protect human rights. Ireland also implements UN and EU Trade Sanctions in support of global security, international law, democracy, human rights and to combat terrorism.

In 2021, the EU adopted an updated and strengthened Regulation* controlling the export of 'Dual-use' items, i.e. items which have both civilian and military uses. This Regulation has direct effect in all Member States of the EU.

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

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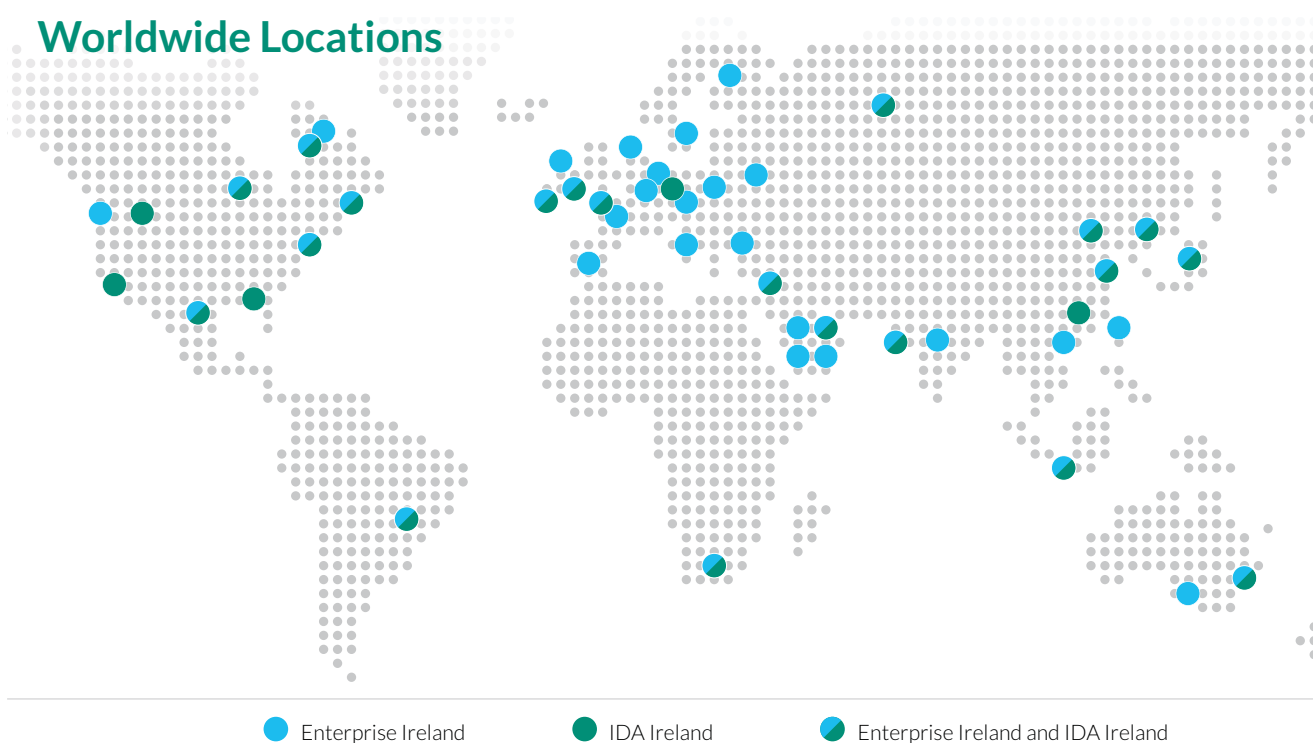
The Department of Enterprise, Trade and Employment and its Agencies



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.

Worldwide Locations



Enterprise Ireland International Offices

Europe	Americas	Asia Pacific	Middle East & Africa
Amsterdam	Austin	Beijing	Abu Dhabi
Brussels	Boston	Ho Chi Minh	Doha
Budapest	Chicago	City	Dubai
Copenhagen	Montréal	Hong Kong	Johannesburg
Dublin	New York	Melbourne	Mumbai
Düsseldorf	Sao Paulo	Seoul	New Delhi
Istanbul	San Francisco	Shanghai	Riyadh
London	Toronto	Singapore	
Lyon		Sydney	
Madrid		Tokyo	
Manchester			
Milan			
Moscow			
Munich			
Paris			
Prague			
Stockholm			
Warsaw			

IDA Ireland International Offices

Europe	Americas	Asia Pacific	Middle East & Africa
Dublin	Atlanta	Beijing	Dubai
Frankfurt	Austin	Seoul	Johannesburg
Istanbul	Boston	Shanghai	Mumbai
London	Chicago	Shenzhen	
Moscow	Irvine County	Singapore	
Paris	Mountain-View	Sydney	
	New York	Tokyo	
	Sao Paulo		
	Toronto		

6.2 Enterprise Ireland

Enterprise Ireland (EI) is the government agency responsible for the development and growth of Irish enterprises in world markets. EI works in partnership with Irish enterprises to help them start, grow, innovate and win export sales in global markets. In this way, EI supports sustainable economic growth, regional development and secure employment.

Enterprise Ireland's success relies on a deep understanding of the products, services, management teams, R&D and financial capacity of their client companies and matching this with its intelligence of global and regional market demands and trends, and its knowledge of international buyers. EI has a full range of supports (financial and non-financial) to assist companies with the challenges that arise during their growth development phases.

In 2021 Enterprise Ireland continued to provide a range of supports to Irish businesses to assist their recovery from the impact of the COVID-19 pandemic and respond to the new trading relationship with the UK. These supports included the Sustaining Enterprise Fund, the Accelerated Recovery Fund, the Online Retail Scheme and the Ready for Customs Grant.

Enterprise Ireland-assisted companies make a very important contribution to economic growth and national prosperity. Despite the incredible challenges faced by Irish enterprise in the past few years, EI client companies have shown great resilience and innovation in retaining and creating jobs in every region of Ireland. EI client companies employ 207,894 people with 68% of this employment located outside of Dublin. These companies generated export sales of €25.5bn in 2020 with expenditure in the Irish economy of over €29bn. At a local level, enterprises supported through the Local Enterprise Offices have also performed strongly in response to COVID-19.

In response to global challenges such as climate change and sustainability, EI is at the heart of preparing Irish enterprises for the challenges and opportunities of the future. From innovation to diversity EI's supports and insights are helping companies drive the transformation agenda by accelerating the pace of innovation, digitalisation and transition to a low carbon economy.

Enterprise Ireland provides its client companies with key supports to increase sales and enter new markets.

Through its network of 40 overseas offices and Pathfinders (Trade Consultants), EI provides critical market insight and advice to ambitious Irish businesses who are competing and winning in world markets.

Enterprise Ireland plays a key role in organising and delivering the annual programme of Ministerial-led trade missions. The programme for 2021 included virtual market visits to key locations across the Eurozone, North America and Asia-Pacific regions, which represent the strongest growth opportunities for Irish companies. Supporting the accelerated export-led recovery for Irish business, Enterprise Ireland resumed its in-person trade mission programme in September 2021 with strategically important trade missions to the UK, France, Germany, USA, Canada, Middle East and Finland.

Trade Missions focus 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, fintech and internationally traded services.

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.

In 2021, we delivered a number of key international campaigns, including a focus on Ireland's green innovation offering, through the Ready for a Green Future campaign and a number of sector-led campaigns for regtech, aerospace and aviation, cybersecurity and fintech.



Case Study

International Markets Week 2021

Enterprise Ireland International Markets Week 2021 took place in October 2021 and saw more than 700 companies meet 140 market advisors from 40 overseas offices in 1,600+ individual meetings.

Tánaiste and Minister for Enterprise, Trade and Employment, Leo Varadkar TD, launched Enterprise Ireland's International Markets Week (IMW) under the theme Global Recovery – Irish Opportunity.

The annual five-day event provides Irish exporters with the opportunity to virtually meet with the Agency's international market advisors to accelerate their internationalisation strategies in global markets, critical for an export-led recovery.

Ahead of the event, Enterprise Ireland surveyed the 700+ participating companies. The results of the survey detailed the strong performance of Irish exporters in 2021 despite the challenges of the new trading relationship with the UK and the COVID-19 pandemic. 56% of businesses indicated that they have seen an increase in exports in 2021 compared to 2020 with only 11% reporting a decrease. 91% of companies expect sales to increase again in 2022. The key growth markets identified by client companies are North America, Europe and the UK.

The survey results also revealed the priority that exporting businesses give to the important digitalisation and sustainability agendas. 80% of businesses reported that digitalisation was a priority over the next 12 months, with 63% saying that advancing their sustainability agenda and adapting to climate change was a priority.

In 2021, Enterprise Ireland companies won a total of 1,375 new overseas contracts and established 480 new overseas presences against that backdrop of what were difficult trading conditions. With global recovery, there are significant opportunities for Irish companies to accelerate their growth internationally and International Markets Week plays a critical role in driving this agenda.

Enterprise Ireland Client Exports 2020 by Territory



TOTAL +0.3%
€25.49bn

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.

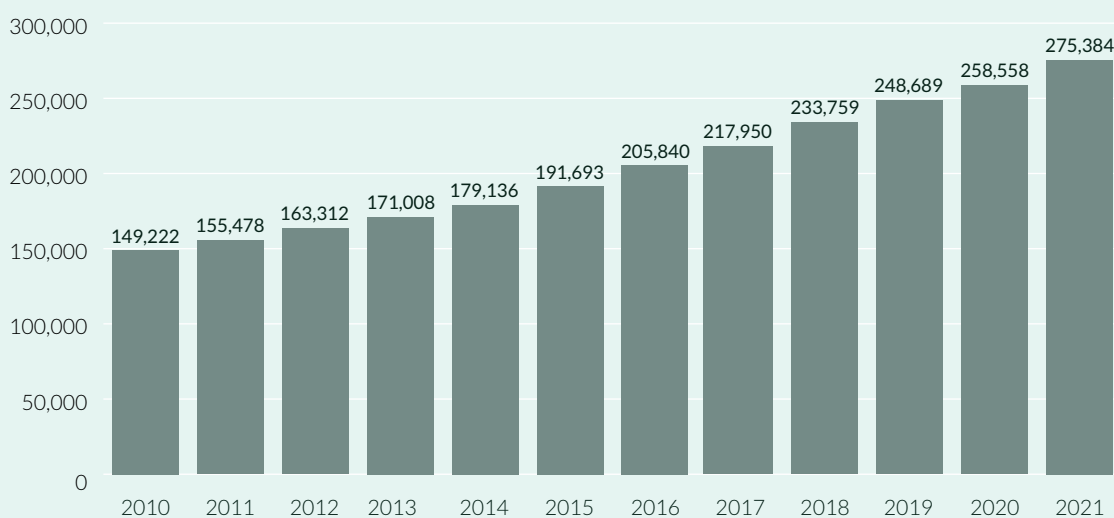
IDA's 2021-24 strategy, Driving Recovery and Sustainable Growth, maintains a focus on the core sectors and the new opportunities that will emerge across them as business models evolve and technology advances. Implementation of the strategy is underway with considerable progress made against the headline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

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 1,700 IDA client operations directly employing 275,384 people in Ireland, accounting for 11% of total employment. This record level of employment, achieved amid an unprecedented global economic and health crisis, follows a period of staircase growth over the past 10 years.

In 2021, IDA secured 249 investments including 104 projects from new name investors coming to Ireland for the first time. The high level of new name investments represents a vote of confidence in Ireland and a level of future proofing of FDI. Growth in regions was particularly buoyant in 2021 with 133 of the 249 investments won (53%) going to regional locations.

Staircase growth in employment in IDA supported MNCs over past decade



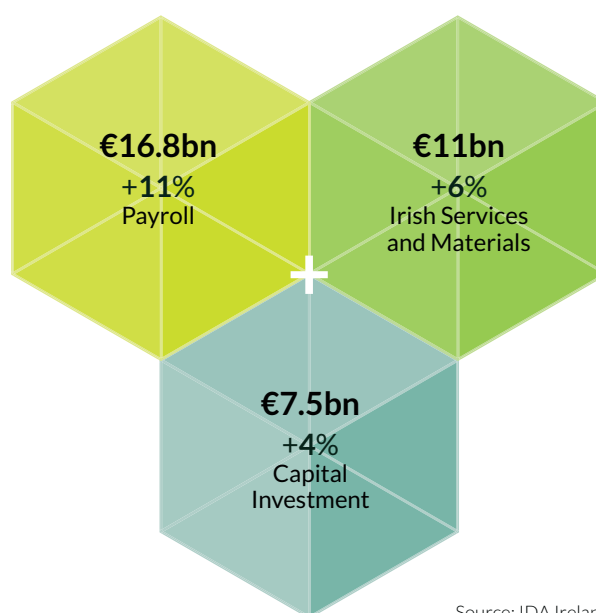
The strength of Ireland's FDI base is a core national asset that has a sizeable impact on the Irish economy and on society more broadly. MNCs have played a key role in supporting economic activity, employment, exports and the public finances during the COVID-19 pandemic. MNCs are a vital source of demand for Irish firms, with expenditure in the economy by FDI companies of €27.9bn in 2020 (up 9%). Of this, payroll spend increased 11% to €16.9bn and spend on materials and services increased by 6% to €11bn. Capital investment amounted to €7.5bn, up 4% on 2019, with the largest spend coming from the Life Sciences and Technology sectors.

Impact of FDI on the Irish economy

€27.9bn

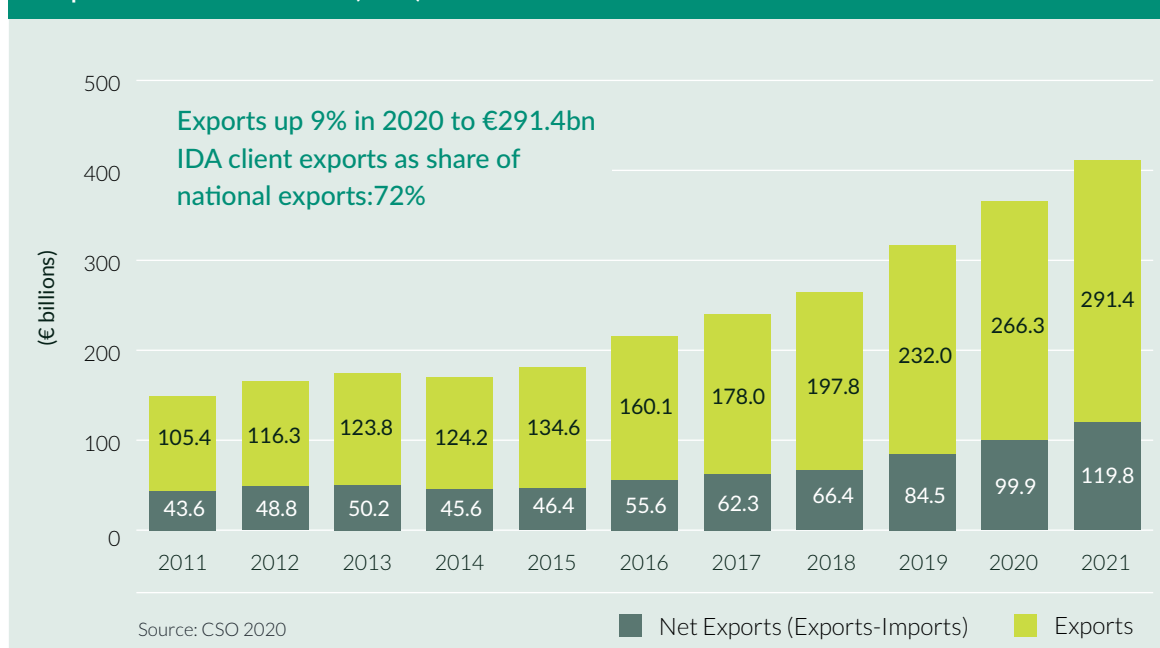
Irish economy expenditure by IDA client companies in 2020 (+9% year-on-year).

Exports by IDA client companies were valued at €291.4bn, up 9% on 2019, accounting for 72% of total exports.



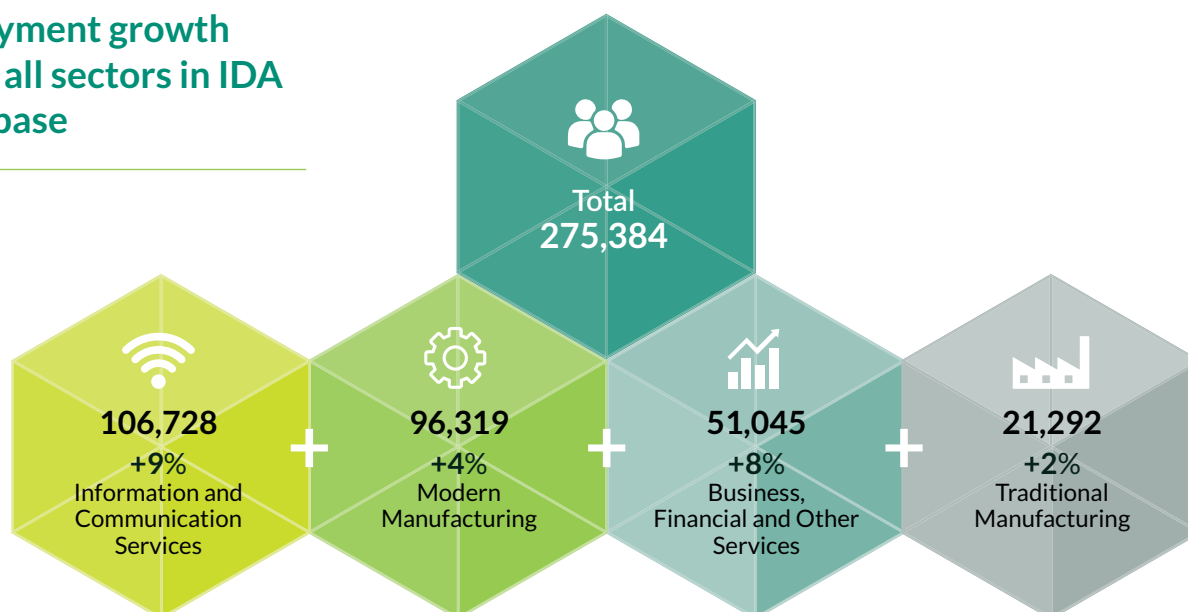
Source: IDA Ireland

Exports of IDA Clients (€bn)



Employment growth was strong across all sectors in 2021, particularly in Life Sciences and Technology companies as demand for healthcare products remained robust and demand for the technologies and services that enable remote working and the digital economy increased.

Employment growth across all sectors in IDA client base



Working closely with colleagues based in Dublin, IDA Ireland's network of overseas offices continues to play a key role in attracting FDI to Ireland. The agency operates across four main geographies: North America, 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 249 investment projects secured by IDA in 2021, 64% originated from North America, 27% from Europe and 8% from Growth Markets.





6.4 Agencies Strategies

IDA Ireland Strategy

IDA's 2021-24 strategy, Driving Recovery and Sustainable Growth, continues to focus on partnering 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.

The ambition of IDA's strategy is framed through five interlinked pillars of Growth, Transformation, Regions, Sustainability and Impact. Under these pillars, IDA will:

- Target 800 total investments to support job creation of 50,000 and economic activity
- Partner with clients for future growth through 170 RD&I and 130 training investments
- Target 400 investments to advance regional development
- Embrace a green recovery with 60 sustainability investments
- Target a 20% increase in client expenditure in Ireland to maximise the impact of FDI

IDA will continue the implementation of its new strategy with considerable progress made against the headline strategy targets during 2021.

Enterprise Ireland Strategy

January 2022 saw the launch of Enterprise Ireland's new three-year strategy, entitled 'Leading in a Changing World'.

The strategy sets out five key strategic ambitions for Irish enterprise and for Enterprise Ireland over the period 2022-2024 and beyond:

- Export-focused Irish enterprises delivering growth across all regions
- Ireland as a world-leading location to start and scale a business
- Irish enterprises achieving competitive advantage through customer-led innovation and digitalisation
- Irish enterprises leading globally on sustainability and achieving climate action targets
- Enterprise Ireland providing world-leading service to the companies it supports

The strategy sets an ambitious target of creating 45,000 jobs over the next three years, increasing exports by Enterprise Ireland client companies to €30bn.

7 Building Further Momentum



Throughout 2021, despite the ongoing restrictions and challenges of COVID-19, the Department of Enterprise, Trade and Employment continued to deliver on its mandate while also supporting staff who mainly worked remotely.

In 2022, we will continue to build and strengthen our trade and investment relationships around the world. We are committed to increasing our international presence, growing exports, helping Irish based firms diversify into new markets with the assistance of departmental and agency colleagues who support them. This is key for our economic growth and development.

We are focussed on the implementation of our new Trade and Investment Strategy 'Value for Ireland, Values for the World' and its priority actions by working

collaboratively with our colleagues across Government and our trade and investment agencies. We will take a holistic approach to how we address these priority actions and in doing so, we will also address the global challenges of climate and sustainability which can provide new opportunities, as well as challenges, for our exporters. As part of our overall communications on the delivery of these actions we will report on this in next year's trade and investment report and under the direction of the Trade and Investment Council.



Tánaiste, Leo Varadkar (right), and Minister Troy (left), launching the Trade and Investment Strategy

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Enterprise, Trade and Employment
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Rialtas na hÉireann
Government of Ireland