

Foreign direct investment (FDI) Ireland Quarterly Update - August 2023

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Foreign direct investment (FDI) has been a key pillar of Ireland's economic strategy for decades and has helped fuel economic growth in Ireland and the brand success of 'Ireland Inc.' since the mid-1990s. FDI remains key to Ireland's economic success, and today, Ireland is the most popular destination for FDI projects in the EU, when measured on a per capita basis.

In recognition of this, the Ogier team prepare a quarterly FDI newsletter which provides news, legislative updates, statistics and analysis relevant to FDI into Ireland.

Welcome to the second edition of Ogier's quarterly FDI update from Ireland. In this edition of our FDI update, we continue to track legal developments affecting foreign direct investment into and out of Ireland.

At a glance: US and Ireland

US presence in Ireland

There are now 950 US companies in Ireland, employing 376,000 people directly and indirectly, and spending more than €31 billion in the Irish economy annually (€14.9 billion on payroll each year; €8.7 billion on goods and services and €7.9 billion invested on capital expenditure by US companies).

US investment in Ireland

In 2022, there were 167 new investment announcements from US companies in Ireland, accounting for 69 percent of all new multinational investments in the country.

Outward investment into US

Regarding outward investment into the US, there are 650 Irish companies employing over 100,000 people across all 50 states and at 2,500 locations across the US. Ireland is the 9th largest source of US FDI at a value of \$240 billion.

*These figures are courtesy of the American Chamber of Commerce Ireland.

Irish prospects for the next year

After an double digit increase in 2022 (caused predominantly by post-pandemic increases in private consumption and exports) the Irish GDP is forecast to grow at 5.5% in 2023 and 5.0% in 2024.

Industry production volumes, flourishing exports and investment in the ICT and pharmaceuticals sectors remain strong drivers of the economy, and the recent reduction in energy costs are projected to favour further growth.

With a 4.3% unemployment rate, the Irish economy is operating at virtually full employment. the only limitation being a struggle to fill vacancies in some sectors, particularly in engineering and construction, the under-supply of labour exacerbated by a much discussed under-supply of housing in Ireland.

Energy costs contributed to inflation levels reaching over 8% in 2022, but these are forecast to ease to below 5% for the remainder of 2023 and further in 2024. The Irish budget remained in surplus in 2022 and the EU Commission forecasts that the surplus will widen further in 2023 and 2024.

These statistics and those sourced by the American Chamber of Commerce Ireland, quoted above, signal that Ireland remains near the top of attractive destinations for FDI and is very much open for business.

Ogier Global Company Services

Ogier's Corporate Services offering via Ogier Global (Ireland) Limited (OGL) includes company formations, company secretarial support, board support, registered address services, financial, regulatory and statutory reporting, directorship services and administrative support to client entities. Ogier Global focuses on supporting corporate clients involved in foreign direct investment as well as indigenous Irish companies looking to establish themselves locally.

Ogier Global also supports institutional clients involved in a variety of structured finance and capital market based transactions, and aviation lessors involved in various aviation leasing arrangements involving the use of special purpose vehicles.

This practice has expanded considerably over the last 12 months and is licensed by the Department

of Justice and Equality as a Trust and Company Services Provider. Ogier Global is currently providing services to approximately 80 companies.

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Amendments to Irish competition law - implementation imminent

The Competition (Amendment) Act 2022 transposes the EU Directive 2019/1 into Irish law and significantly overhauls Irish competition (antitrust) law and enhances the Competition and Consumer Protection Commission (CCPC)'s enforcement powers.

The Amendment Act was signed into law on 29 June 2022 and is likely to commence during 2023.

Partner Edon Byrnes and senior legal manager Matthew Van Der Want provide a brief breakdown on the Amendment Act and what this might mean for any parties to a transaction next year.

[Amendments to Irish competition law - implementation imminent | Ogier](#)

Further requirement for Irish directors to disclose personal information

A new mandatory director verification requirement commenced on 11 June 2023 requires all company directors must provide their Personal Public Service Number (PPSN) when filing the forms required for a company incorporation, the filing of an annual return or the appointing or resigning of directors and other company officers. Failure to comply will result in a category 4 offence.

Bláthnaid Evans, Partner, Employment provides an explanation of this important new obligation for company directors.

[Further requirement for Irish directors to disclose personal information | Ogier](#)

Guidance on Early Warning Tools under the EU (Preventative Restructuring) Regulations 2022

The Corporate Enforcement Authority (CEA) has published an 'Information Note' on those provisions of the EU (Preventive Restructuring) Regulations 2022 which require directors to have regard to the interests of creditors where a director believes or has reasonable cause to believe that a company is or is likely to be unable to pay its debts, or becomes aware of its insolvency.

Partner Edon Byrnes, senior legal manager Matthew Van Der Want and trainee solicitor Lydia Foley present a written feature explaining the new Note.

Ireland: an attractive jurisdiction for businesses developing and exploiting IP assets

There are plenty of reasons why Ireland is popular amongst visitors, from its jaw-dropping natural landscapes to its rich history. In the last decade or so it has also become an attractive jurisdiction for businesses of all sizes seeking to establish a base in Ireland from which they can manage, develop and exploit their valuable intellectual property (IP).

Partners Sophie Peat, from our Cayman Islands office, and Dominic Conlon in Ireland explain in this article why Ireland appeals to companies creating and exploiting IP assets.

[Ireland: an attractive jurisdiction for businesses developing and exploiting IP assets](#) | Ogier

Corporate Sustainability Reporting Directive

Like all European Union Member States, Ireland has until mid-2024 to incorporate the European Union's Corporate Sustainability Reporting Directive (CSRD) into its domestic law. For more information on this, see this brief note from Oisín McLoughlin, partner, and Sharon Meaney, associate.

[Corporate Sustainability Reporting Directive](#) | Ogier

About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

Meet the Author



Dominic Conlon

Partner

Ireland

E: dominic.conlon@ogier.com

T: +353 1 232 1075

Key Contacts



Sophie Peat

Partner

Cayman Islands

E: sophie.peat@ogier.com

T: +1 345 815 1744



Oisín McLoughlin

Partner

Ireland

E: oisin.mcloughlin@ogier.com

T: [+353 1 584 6310](tel:+35315846310)



Sharon Meaney

Associate

Ireland

E: sharon.meaney@ogier.com

T: [+353 1 232 1072](tel:+35312321072)



Bláthnaid Evans

Head of Employment and Corporate Immigration

Ireland

E: blathnaid.evans@ogier.com

T: [+353 1 632 3113](tel:+35316323113)



Edon Byrnes

Partner

Ireland

E: edon.byrnes@ogier.com

T: +353 1 574 1398



Michael Carroll

Managing Director, Ireland and Head of Debt Capital Markets

Ireland

E: michael.carroll@ogier.com

T: +353 1584 6309

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