Doing Business in Ireland:

2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Ireland

Market Overview Return to top

U.S. exports to Ireland were more than $7.3 billion in 2012 and are representative of virtually all products and services. Leading sectors include aircraft equipment, power generation technology, medical products, electrical equipment, and pharmaceuticals. Currently, more than 700 U.S. firms operate in Ireland employing approximately 115,000 people. Total U.S. investment stock in Ireland, a country with a population of 4.6 million, was $188 billion in 2011 — more than the U.S. total for all the BRICS countries combined (Brazil, Russia, India, China and South Africa). Conversely, Irish investment in the United States totals $98.2 billion. With 130,000 Americans employed by Irish firms, Ireland is the 8th largest source of FDI into the United States.

Ireland still faces some challenges as a small state in the global economy. The global recession reduced property prices leaving massive Irish bank debts that were guaranteed by the government. In 2010, the Irish government secured an 85 billion Euro guarantee from the "troika" of the European Union, European Central Bank, and International Monetary Fund as well as other banks that supported its economic recovery. Ireland is now looking forward to successfully exiting this program and returning to self-funding on debt markets by the end of 2013. The hoped-for return to private funding following five years of tough austerity measures and an extension of settlement dates for sovereign debt caused by Ireland's banking crisis will form the backdrop for future potential economic growth.

Ireland remains a wealthy country, with a per capita GDP of $48,289. Further, the country is a net exporting nation with a positive 2012 trade balance estimated at nearly $58 billion. The productive economy of Ireland continues to attract U.S. investors and businesses entering the European market.

The Irish government just hosted the rotating 6-month presidency of the European Union (January to June 2013) and fashioned its presidency around a number of goals highlighting "Stability, Jobs and Growth". Its tenure comes to an end on the back of the official announcement of the launch of negotiations of a Transatlantic Trade and Investment Partnership deal. Irish government reports suggest that Ireland could benefit from a U.S.-EU deal with the generation of an additional 4,000 jobs and a significant boost to gross domestic product fuelling further economic growth.

The United States and Ireland enjoy a close cultural affinity and longstanding political, economic, and commercial relations. A co-existing, profitable, and mutually dependent commercial and economic relationship has thrived between the two countries and continues its century-long growth. The comfort of a common language and the abundance of educated, savvy, and well-connected business partners are additional benefits.

The Irish government hopes that a return to self-funding, an action plan for jobs growth and wider economic growth will help establish Ireland as "the best small country in the world in which to do business."

Market Challenges

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Irish economic reforms and implementation of its 2010 bailout agreement have been praised as "strong" by its Troika partners though GNP stagnation and chronically high unemployment (14.1%) will continue to pose challenges in the short- to medium-term.

- In 2012, Irish consumption remained low due to decreases in disposable income. Consumer spending is expected to remain flat over the next year though niche markets remain strong. Expected reverses in this decline will follow after a recovery in the labor market and a decrease in savings rates.

- Due to the heavy dependence on foreign direct investment and exporting, the Irish economy was among the first to feel general global economic pullback. However, as advanced economies approach recovery, foreign direct investment into Ireland and exporting out of the country are expected to follow due to its strong correlation with global markets.

- In the housing sector, Ireland's real estate markets contracted with similar problems as those reported for home-financing in the United States. Therefore, Ireland faces the same effects as seen in the United States such as declining housing prices and decreases in demand for purchasing of real estate. The construction sector however, has reported the first signs of growth with further expansion expected following the announcement of a stimulus package for infrastructure and ongoing transportation projects.

- Irish consumer debt has reached record levels—not only higher than previous years domestically but also higher in comparison to other EU region countries.

- Improvement of private consumption depends highly on the resolution of non-performing loans and the subsequent revival of domestic demand.

While U.S. investors continue to show strong interest in Ireland, a number of possible clouds persist: uneven labor costs, an overburdened transportation infrastructure, high energy and housing price levels, and inadequate and slow broadband internet access in parts of the country. However, the Irish market overcame the worst effects of the global crisis and is beginning to show signs of recovery. Ireland's recovery is similar to most major advanced economies, slow yet resilient, with significant reliance on the strength of Irish exports.

Market Opportunities

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Within the European Union, Ireland's exceptional economic features continue to stand out, particularly with the country's welcoming and pro-business environment and continued attractiveness to foreign investment.

Moreover, the Irish Government seeks to sustain its strategy to refashion the country as an R&D-centered, innovation-based, knowledge-intensive economy. Regardless of the recessionary landscape, this strategy will be a deciding factor in Ireland's ability to attract continued investment from R&D-focused U.S. companies. Coupled with low corporate taxes, the Irish Government's "Strategy for Science, Technology and Innovation" indicates a long-term commitment to build on "Innovation Ireland" with R&D strengths. These initiatives have offered great advantages for U.S. firms looking to establish a European location, with onward access possible to Eurasia, the Middle East and Africa.

U.S. companies are primarily attracted to Ireland because it can serve as a trading platform to enter the greater EU marketplace which consists of 329 million consumers in the Euro-zone and up to 500 million consumers in all of Europe. Irish-based operations of U.S. firms export more than $133 billion worth of goods and services mostly to other EU countries and the U.S.

There are significant opportunities within the marketplace for small-to-medium sized U.S. exporters. In the past, successful exports to Ireland from the U.S. included state-of-the-art products and their related parts and components in the information/communication technologies, pharmaceuticals, medical/healthcare devices, travel/tourism, engineering/design, and financial services industries. Sectors that have experienced growth in Ireland include niche consumer and sporting goods, hotel/restaurant equipment, food processing equipment, industrial machinery, energy/power generation, and air conditioning/refrigeration equipment. Growth sub-sectors include renewable energy, environmental technologies and security products and services including cyber-security.

Increased migration numbers over recent years mean that Ireland is now home to a more diverse population with multi-cultural interests. This has opened the door for products and services to fulfill different and more exotic consumer demands.

Additionally, the economic downturn presents opportunities:

- In select market segments, as companies have downsized, there now exists a larger workforce;

- Reallocation and the need to further diversify the country's economy creates the demand for new and innovative business types;

- U.S. firms' access to more credit than Irish firms presents a competitive advantage; and

- The depreciated US dollar gives American products a competitive pricing advantage.

Signs of an economic recovery, even at a slow pace, present increased opportunities for U.S. manufacturers exporting to Ireland. With an effective business strategy, U.S. firms can take advantage of the current opportunities that are available in the Irish market where the emphasis in some sectors is slowly moving away from cost and back to quality of products and services. Furthermore, due to Ireland's membership in the European Union, U.S. firms must consider the overall "net" benefit of the market's position.

Market Entry Strategy

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Ireland is a small, open economy with a heavy dependence on international trade. As a result, the introduction of products and services into the Irish market is relatively less complicated.

- Standard international marketing and distribution practices are widely utilized in Ireland.

- American companies benefit from a common language and flexible business relationships—U.S. business practices are well-known and understood in Ireland.

- E-commerce practices are being adopted by the Irish Government and the business community.

- American companies with quality products and services will receive good support from local business partners, increasing their ability to achieve their goals and objectives.

- A member of the Euro-zone, Ireland is seen by many successful U.S. companies as a natural location for distribution throughout the EU. Furthermore, Ireland serves as a gateway to opportunities in the UK (Ireland's second largest, traditional and most proximate trading partner) and as a logical springboard for sales beyond Europe – including operations for a few multinationals with their "EMEA" headquarters for all of Europe, the Middle East and Africa.

- An increasing number of companies are looking for strategic Irish partners for contract manufacturing, joint ventures, transfers of technology, licensing, logistics, and value-added service agreements.

- Increasingly U.S. companies have come to recognize that their business interests in Europe are well served by Irish partners, who possess knowledge of EU directives, regulations, and distribution channels, allowing them to expand their business quickly throughout the broader EU marketplace.

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INTERNATIONAL
TRADE
ADMINISTRATION

COUNTRY FACT SHEET: IRELAND

PROFILE

Population in 2011 (Millions): 5

Capital: Dublin

Government: Republic

ECONOMY

ECONOMY	2009	2010	2011
Nominal GDP (Current Billions $U.S.)	225	208	221
Nominal GDP Per Capita (Current $US)	50,372	46,445	48,289
Real GDP Growth Rate (% change)	-5.5	-0.77	1.4
Real GDP Growth Rate Per Capita (% change)	-6.3	-1.0	-1.0
Consumer Prices (% change)	-1.7	-1.6	1.2
Unemployment (% of labor force)	11.8	13.6	14.4

Economic Mix in 2009: 31.9% All Industries; 24.2% Manufactures; 67.1% Services; 1% Agriculture

FOREIGN MERCHANDISE TRADE ($US Millions)

FOREIGN MERCHANDISE TRADE ($US Millions)	2009	2010	2011
Ireland Exports to World	116,895	118,338	129,346
Ireland Imports from World	62,566	60,550	67,076
U.S. Exports to Ireland	7,465	7,276	7,644
U.S. Imports from Ireland	28,101	33,848	39,370
U.S. Trade Balance with Ireland	-20,636	-26,572	-31,725
Position in U.S. Trade:			
Rank of Ireland in U.S. Exports	27	31	34
Rank of Ireland in U.S. Imports	10	10	12
Ireland Share (%) of U.S. Exports	0.71	0.57	0.52
Ireland Share (%) of U.S. Imports	1.8	1.8	1.8

Principal U.S. Exports to Ireland in 2011:

1. Chemicals (36.9%)
2. Transportation Equipment (19.2%)
3. Computer & Electronic Products (12.5%)
4. Miscellaneous Manufactured Commodities (8.5%)
5. Machinery, Except Electrical (6.2%)

Principal U.S. Imports from Ireland in 2011:

1. Chemicals (78.9%)
2. Miscellaneous Manufactured Commodities (9.9%)
3. Computer & Electronic Products (4.2%)
4. Goods Returned (Exports For Canada Only) (2.4%)
5. Beverages & Tobacco Products (1.4%)

FOREIGN DIRECT INVESTMENT

FOREIGN DIRECT INVESTMENT	2009	2010	2011
U.S. FDI in Ireland (US $Millions)	129,253	157,565	188,274
FDI in U.S. by Ireland (US $Millions)	21,044	25,975	24,974

DOING BUSINESS/ECONOMIC FREEDOM RANKINGS

World Bank Doing Business in 2012 Rank: 15 of 185

Heritage/WSJ 2012 Index of Freedom Rank: 9 of 179

Source: Created by USDOC/ITA/OTII-TPIS from many sources: FDI from USDOC, Bureau of Economic Analysis. US Trade from USDOC,Census Bureau,Foreign Trade Division. Ireland Trade with World from United Nations where available. National Macroeconomic d from IMF/World Bank databases including World Economic Outlook and World Development Indicators. .WORLD and other country aggregates are summaries of available UN COMTRADE, IMF and other data, and coverage varies over time and by source, but typically represents greater than 85 percent of world trade and production. Note: Principal U.S. Exports and Imports Are 3-digit NAICS Categories

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

http://www.state.gov/r/pa/ei/bgn

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Chapter 3: Selling U.S. Products and Services

Using an Agent or Distributor

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Selling a product in Ireland is based on several factors. Facilitated by the compact size of the market and depending on the expected sales volume, sales can be improved with the use of tailored marketing techniques. Sales may effectively be achieved through any of the following distribution methods:

- The establishment of a local sales office to serve Ireland and provide a distribution point for Western Europe;
- Through an agent or distributor whose activity may cover specified areas within Ireland, the entire country, or even to include Western, Eastern or Central European markets;
- Through established wholesalers or dealers in Ireland; and
- Directly to department stores, chain stores, retailer cooperatives, consumer cooperatives, or other organizations.

International firms usually have one exclusive representative for the entire country, although it is common for the representative to appoint sub-agents to cover certain sectors of the market if sales and profit margins warrant it. In addition, a sales representative located in Ireland may be in an ideal position to market a product throughout the European marketplace.

- Consumer goods are best sold through a distributor carrying stock for immediate delivery and sale, whereas capital goods and industrial equipment are more effectively marketed through a commissioned agent. In the case of certain raw materials with low mark-ups, or for capital goods and supplies for which there are limited numbers of potential users or buyers, direct sales techniques are effective.

- Regular communications and visits to a newly appointed representative in Ireland are useful to establish successful relationships; get a better understanding of market specifics, trends, and developments; and to assist in the resolution of any early problems.

- An effective and responsive after-sales service system should be incorporated into distribution plans.

- Frequently, U.S. firms will rely on the Irish distributor to handle the details of labeling and packaging for Irish and European preferences regarding the product and, if necessary, registering the product.

- The familiarity and fluency of many Irish business firms with the varied languages of Europe also underline Ireland's capacity as a springboard for sales to continental Europe, including Central and Eastern Europe.

Three kinds of distribution agreements are covered by Irish legislation: exclusive, quasi-exclusive, and informal. In an exclusive distributorship, the distributor has the sole right to sell specified goods within a defined area. Quasi-exclusive distributorships allow the distributor to sell almost all the specified products within a defined area. Informal distributor arrangements impose heavier obligations on the distributor.

If contractual obligations are not met in a distribution agreement of indefinite term, it cannot be terminated until reasonable notice and/or fair compensation is provided. In general, grantors should consider protecting themselves by entering into agreements for definite periods rather than an indefinite period. In addition, clauses regarding specific performance targets should be incorporated into the distribution agreement.

- Under EU legislation (Commercial Agents Regulations 1994), a commercial agent is a self-employed intermediary who has continuing authority to negotiate the sale or the purchase of goods on behalf of another person, or to negotiate and conclude such transactions on behalf of the principal. Each party is entitled to a written document setting out the terms of their contract.

- EU legislation regarding unilateral termination of distribution agreements (EEC 86/653) applies and is designed to provide the local distributor with some degree of protection and monetary compensation when an agreement is terminated for reasons other than cause. The legislation will apply regardless of any clause in the agreement itself, and the parties may not deviate from the legislation as long as the distribution agreement is in force.

Establishing an Office

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Irish law distinguishes between incorporated and unincorporated business entities. An incorporated entity has a legal status separate from its owners and is capable of suing and being sued in its own name. Incorporated entities include private limited companies, public limited companies and unlimited companies. Unincorporated entities may be a sole proprietorship set up by an individual or a partnership.

- The most basic form of company is the sole proprietorship, and there are few legal formalities or costs associated with this form of business, which appeals to small enterprises. The owner is personally liable for the business and has managerial control as well as direct access to profits.

- U.S. companies may conduct business in Ireland through a branch or a place of business. A branch is considered a division of a foreign company trading in Ireland that has the appearance of permanency, a separate management structure, and the ability to negotiate contracts with third parties, as well as reasonable financial independence. Branches must file company financial statements with the Registrar of Companies.

U.S. firms interested in establishing an office in Ireland should review the following:

- For a comprehensive practical overview and advice on evaluating and/or establishing business operations in Ireland refer to Enterprise Ireland's website.

- For information on how to set up a business in Ireland from registration and legal advice to guidance on taxation and employment issues refer to the Irish Government website.

Data Privacy

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The EU's general data protection Directive (95/46/EC) spells out strict rules concerning the processing of personal data. Businesses must tell consumers that they are collecting data, what they intend to use it for, and to whom it will be disclosed. Data subjects must be given the opportunity to object to the processing of their personal details and to opt-out of having them used for direct marketing purposes. This opt-out should be available at the time of collection and at any point thereafter.

Transferring Customer Data to Countries outside the EU

The EU's current general data protection Directive provides for the free flow of personal data within the EU but also for its protection when it leaves the region's borders. Personal data can only be transferred outside the EU if adequate protection is provided for it or if the unambiguous consent of the data subject is secured. The European Commission has decided that a handful of countries have regulatory frameworks in place that guarantee the adequate protection of data transferred to them – the United States is NOT one of these.

As a result, in the year 2000 the U.S. Department of Commerce and the European Commission negotiated the Safe Harbor agreement to provide U.S. companies with simple, streamlined means of complying with the adequacy requirement. It allows those U.S. companies that commit to a series of data protection principles (based on the current Directive), and by publicly stating that commitment by "self-certifying" on a dedicated website, to continue to receive personal data from the EU. Signing up is voluntary but the rules are binding on those who do. The ultimate means of enforcing Safe Harbor is that failure to fulfill the commitments will be actionable as an unfair and deceptive practice under Section 5 of the FTC Act or under a concurrent U.S. Department of Transportation statute for air carriers and ticket agents. While the United States as a whole does not enjoy an adequacy finding, transfers that are covered by the Safe Harbor program do. Companies whose activities are not regulated by the FTC or DoT (e.g. banks, credit unions, savings and loan institutions, securities dealers, insurance companies, not-for-profit organizations, meat packing facilities, or telecommunications carriers) are not eligible to sign up for the Safe Harbor.

Key link: U.S.-EU Safe Harbor Overviews

http://export.gov/safeharbor/eu/eg_main_018476.asp

EU-based exporters or U.S.-based importers of personal data can also satisfy the adequacy requirement by including data privacy clauses in the contracts they sign with each other. The Data Protection Authority in the EU country from where the data is being exported must approve these contracts. To fast track this procedure the European Commission has approved sets of model clauses for personal data transfers that can be inserted into contracts between data importers and exporters. The most recent were published at the beginning of 2005, and were complemented in 2010 by contractual clauses on “sub-processing” (outsourcing by an EU based exporter of its processing activities to other sub-processors outside the EU). Most transfers using contracts based on these model clauses do not require prior approval. Companies must bear in mind that the transfer of personal data to third countries is a processing operation that is subject to the general data protection Directive regardless of any Safe Harbor, contractual or consent arrangements.

EU countries’ Data Protection Authorities (DPAs) and large multinational companies have also developed a third major approach to compliance with EU rules on transfers of personal data to countries outside the EU. This is based on country-by-country DPA approval of “binding corporate rules” (BCRs). A BCR is the international code of practice that a multinational corporation follows for transfers of personal data between the companies belonging to that corporation (worldwide intra-group transfer). BCRs are suitable for closely-knit, highly hierarchically structured multinational companies but not for loose conglomerates. Companies that set up BCRs that satisfy European DPAs are able to use the presumption of conformity that these approvals provide to transfer personal data from the EU to any location in the world – not just the United States. BCRs can be a tool for compliance with privacy rules on a global scale. The process of negotiation and approval of the BCRs is currently lengthy and complex, and has not been attempted by small or medium-sized companies.

Proposed New Regulation

The EU's current data privacy legislation is undergoing review. A new commercial data protection regulation was proposed by DG Justice in January 2012 and is now being revised in the European Parliament and EU Council of Ministers. Ireland was able to make good progress while holding the rotating Presidency of the EU Council during the first six months of 2013. Lithuania will take on the Presidency as of July 2013 and its Ministry of Justice has indicated its intent to prioritize the revision of the proposed legislation. The Commission has pushed for adoption of the proposed regulation in 2014 before the European Parliament's general elections in June of that year.

If the December 2012 version of the regulation is adopted, it will impose significant requirements on European and U.S. businesses and on the way they are able to gather and utilize user data. It will also introduce substantial fines for offending companies (up to 2% of global revenue). For over two years, industry representatives have voiced their concerns to EU Institutions and Member State officials. In a Position Paper published in July 2012, the American Chamber of Commerce to the EU identified key concerns with the proposed regulation including:

- data breach notification
- consent
- definition of personal data, a child, and of public interest
- technical feasibility of the "right to be forgotten" provision
- extraterritoriality element that would hamper international data transfers

The implications of this proposed regulation go well beyond its immediate scope. In particular data privacy is an integral part of other current EU regulatory initiatives in ICT sectors such as cloud computing and cyber-security.

Key Links:
European Commission's Justice Directorate-General:
http://ec.europa.eu/justice_home/fsj/privacy/index_en.htm
http://ec.europa.eu/justice/data-protection/document/international-transfers/transfer/index_en.htm
http://ec.europa.eu/justice/data-protection/document/international-transfers/binding-corporate-rules/index_en.htm

AmChamEU position paper on the proposed regulation:
http://www.amchameu.eu/DesktopModules/Bring2mind/DMX/Download.aspx?TabId=165&Command=Core_Download&EntryId=7914&PortalId=0&TabId=165

Franchising

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Opportunities exist for U.S. companies to establish franchise systems in Ireland across a wide range of sectors.

Franchising experienced steady growth in the last decade as the number of international franchise systems operating in Ireland grew and indigenous franchise operations expanded both in Ireland and overseas.

- U.S. franchises lead in terms of market share by country of origin, representing more than 40% of the franchise operations in Ireland.

There are few regulations concerning franchising and none that limit market access to U.S. firms. EU Regulation 4087/88 EEC regarding franchising provides a unified code for the 27 member states. Its primary focus concerns price fixing, transfer pricing, non-competition clauses, and exclusive dealing. It also exempts certain franchise agreements from the EU anti-trust regulations.

Direct Marketing

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Irish companies spend in excess of $250 million on direct marketing services annually. The Irish Direct Marketing Association, the representative body for direct marketing in Ireland, has 350 members ranging from financial services firms to telecommunications companies and law firms.

Telemarketing, in particular, has spearheaded the growth of the direct marketing sector in Ireland as a large number of companies, including Dell and United Parcel Service, are now providing telemarketing services from Ireland. These international firms are serving both the Irish and European marketplaces from their Irish telemarketing operations.

Mail-order sales are small. Certain firms have used this technique successfully in combination with their usual retail outlet operations. Promotion is carried out by catalog or by newspaper advertisements with no personal contact.

There is a wide range of EU legislation that impacts the direct marketing sector. Compliance requirements are most strict for marketing and sales to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase and on their approaches to collecting and using customer data. The following gives a brief overview of the most important provisions flowing from EU-wide rules on distance-selling and on-line commerce.

Processing Customer Data
The EU has strict laws governing the protection of personal data, including the Use of such data in the context of direct marketing activities. For more information on these rules, please see the privacy section above.

Distance Selling Rules
The EU's Directive on Distance Selling to Consumers (97/7/EC and amendments) sets out a number of obligations for companies doing business at a distance with consumers.

It can read like a set of onerous "do's" and "don'ts," but in many ways, it represents nothing more than a customer relations good practice guide with legal effect. Direct marketers must provide clear information on their identity as well as that of their supplier, full details on prices including delivery costs, and the period for which an offer remains valid – all of this, of course, before a contract is concluded. Customers generally have the right to return goods without any required explanation within seven days and retain the right to compensation for faulty goods thereafter. Similar in nature is the Doorstep

Selling Directive (85/577/EEC) which is designed to protect consumers from sales occurring outside of a normal business premises (e.g., door-to-door sales) and essentially assure the fairness of resulting contracts.

In 2011, the EU overhauled its consumer protection legislation and merged several existing rules into a single rulebook - "the Consumer Rights Directive". The provisions of this Directive will apply to contracts concluded after June 2014, and will replace current EU rules on distance selling to consumers and doorstep selling along with unfair contract terms and consumer goods and associated guarantees. The Directive contains provisions on core information to be provided by traders prior to the conclusion of consumer contracts, regulates the right of withdrawal, includes rules on the costs for the use of means of payment and bans pre-ticked boxes. Companies are advised to consult the information available via the hyper-links, to check the relevant sections of national Country Commercial Guides, and to contact the Commercial Service at the U.S. Mission to the European Union for more specific guidance.

In 2013, the EU adopted rules on Alternative Dispute Resolution which provide consumers the right to turn to quality alternative dispute resolution entities for all types of contractual disputes including purchases made online or offline, domestically or across borders. A specific Online Dispute Resolution Regulation will set up an EU-wide online platform to handle consumer disputes that arise from online transactions. The platform will be operational at the end of 2015.

Key Links:
Consumer Affairs Homepage:
http://ec.europa.eu/consumers/index_en.htm

Consumer Rights:
http://ec.europa.eu/justice/consumer-marketing/rights-contracts/directive/index_en.htm

Distance Selling of Financial Services
Financial services are the subject of a separate directive that came into force in June 2002 (2002/65/EC). This piece of legislation amended three prior existing Directives and is designed to ensure that consumers are appropriately protected with respect to financial transactions taking place where the consumer and the provider are not face-to-face. In addition to prohibiting certain abusive marketing practices, the Directive establishes criteria for the presentation of contract information. Given the special nature of financial markets, specifics are also laid out for contractual withdrawal.

Key Link:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32002L0065:EN:NOT

Direct Marketing over the Internet
The e-commerce Directive (2000/31/EC) imposes certain specific requirements connected to the direct marketing business. Promotional offers must not mislead customers and the terms that must be met to qualify for them have to be easily accessible and clear. The Directive stipulates that marketing e-mails must be identified as such to the recipient and requires that companies targeting customers on-line must regularly consult national opt-out registers where they exist. When an order is placed, the service provider must acknowledge receipt quickly and by electronic means, although the Directive does not attribute any legal effect to the placing of an order or its

acknowledgment. This is a matter for national law. Vendors of electronically supplied services (such as software, which the EU considers a service and not a good) must also collect value added tax (see Electronic Commerce section below).

Key Link: http://ec.europa.eu/internal_market/e-commerce/index_en.htm

Joint Ventures/Licensing

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No formal regulations relating to joint ventures in Ireland currently exist. In each case, the terms of the joint venture are the subject of a co-operation agreement between the parties concerned. Generally, the agreement sets out the basis on which the parties are to co-operate on a particular joint venture. Numerous international firms have joint venture and licensing arrangements with manufacturers based in Ireland.

Government approval is not necessary for licensing agreements and no statutory restrictions are imposed on the amounts of royalties or other details of licensing arrangements. However, an international firm intending to license the use of its trademark to a company based in Ireland must designate the licensee as a registered user, and an appropriate application must be lodged in order to prevent any future legal problems.

- Enterprise Ireland, the state agency responsible for the development of indigenous Irish industry, continually seeks to develop joint ventures, licensing, technology transfer, and other types of strategic alliance arrangements between Irish and international firms. U.S. firms can gain access to the European marketplace by adopting a joint venture/licensing strategy incorporating Ireland.

As with all business investment decisions, U.S. firms considering joint venture, licensing, or other strategic alliance arrangements in Ireland should seek professional advice regarding the legal, financial, and taxation implications of the agreements being negotiated. The U.S. Commercial Service at the U.S. Embassy in Dublin can assist U.S. companies in addressing these issues.

Selling to the Government

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As a member of the EU, Ireland has adopted EU public procurement directives. All Irish work, supply, service, and utility procurement project notices which fall within the guidelines of EU public procurement directives are published electronically in the Official Journal of the European Community (OJEC) "S" series.

The Irish government also has its own Public Sector Procurement portal that provides electronic access to all Irish public sector procurement opportunities published in the OJEC and in the national and local print media.

The U.S. Commercial Service in Dublin actively monitors and reports on major procurement projects offering opportunities for U.S. firms.

Distribution and Sales Channels

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According to the most recent data, approximately 20,000 retail outlets and 2,500 wholesale outlets sell and distribute goods in Ireland. While the distribution system, especially at the retail level, still consists of small outlets by American standards, it is moving toward larger, more economically viable units to satisfy changing market needs.

Retail outlets in Ireland range from large department stores to small shops owned and operated by individuals. Although most retail outlets are small, such enterprises are decreasing in number, as efficiencies of scale and purchasing power become the major competitive factors bearing on profit margins. A trend toward larger outlets has been underway, with the formation of chains, expansion of existing department stores, and the establishment of medium-sized department stores.

The increasing tempo of commercial and industrial development, as well as suburban development, is bringing about significant changes in the distribution system. Wholesalers supply a variety of services to associated small retailers, including sales promotion, advertising, and retail training. In some cases, they combine small retailers into a buying group in order to achieve purchasing economies and increased purchasing power with manufacturers.

The number of discount firms, especially those stocking consumer electronics and domestic appliances, continues to increase, and the number of self-service stores is rising steadily. Self-service is not confined to small merchandising units as department stores and gas stations also have incorporated this sales technique in their operations.

The Irish food retail trade is very receptive to new food product ideas and is constantly monitoring developments in new products in the international marketplace. As few chains import directly, the major food retail chains often use specialized importers to administer the logistics of importation and distribution. As a result, there are a large number of food importers, many of whom are quite small, serving the retail trade. Some of these importers are also distributors of Irish produce, and indeed, some also are local manufacturers. Most importers/distributors have adequate distribution facilities to most parts of Ireland.

There are more than 9,500 food retail outlets (i.e. grocery stores) of varying sizes in Ireland. Two distinct segments exist within the sector—the supermarket multiples and independent retailers. The food retail sector is dominated by four multiple chains and two EU-based retail chains (Aldi and Lidl), while a number of smaller chains also operate. The multiples dominate the grocery trade in the greater Dublin area accounting for about 75% of retail sales. Outside of the main urban areas many of the independent retailers are affiliated to "symbol groups" which facilitate the attainment of purchasing economies of scale through procurement from a central purchaser.

Selling Factors/Techniques

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U.S. firms should maintain close liaison with distributors and customers in order to exchange information and ideas. In most instances, communication through telephone, e-mail or video-conferencing and Skype is sufficient but the understanding developed through periodic personal visits is the best way to keep distributors apprised of new developments and to resolve any problems quickly. Prompt acknowledgement of correspondence is recommended.

Vigorous and sustained promotion is often needed to launch products. Products must be adapted to both technical requirements and to consumer preferences. It is not sufficient to merely label a product in conformity to national requirements. For the development of a product's full market potential, quality, price, packaging and after-sales service are key. U.S. exporters may also wish to consider warehousing in Ireland for expeditious supply and service for customers in Ireland and Europe.

Distribution methods vary by product, as well as with individual commercial relationships. Methods must be tailored to fit market conditions in each instance. U.S. companies can utilize successful distribution techniques practiced in the United States as a threshold for approaching the Irish market.

Warehousing and Free Trade Zones

The Shannon Free Trade Zone provides an attractive international distribution and warehouse center serving Western Europe. It provides the unique combination of a custom-free industrial zone and direct access to air and surface transport to the United Kingdom and other European markets.

- Raw materials and partly or completely manufactured products may be imported into the free zone in any quantity and held there without payment of duties or taxes.

- Processing, sorting, grading, or repackaging of the goods may take place within the zone, and buildings may be leased or built.

- As sales require, the goods held in the free zone may then be withdrawn from inventory and re-exported to other countries or imported into Ireland for consumption after payment of appropriate duties, value-added taxes, and excise duties.

- If the goods are re-exported to another country, duties and taxes, as appropriate, will be payable in that country.

Principal advantages of the free zone to American firms are:

- the existence of a European base of supply to assure customers prompt delivery and service,
- the ability to maintain inventory at low cost, and
- eligibility for the reduced 12.5% corporate tax rate in Ireland.

Adequate warehousing facilities are available in major Irish cities. Bonded warehouses are operated in Dublin, Cork, Limerick, Waterford, and Galway. The Dublin Port Company maintains the largest warehousing organization in the country. In addition to storage facilities, the Port provides services needed by distributors such as packing, sorting, bottling, and transport service. Imported goods liable to a duty may be stored in a bonded warehouse in the Port area or other locations without payment of duties or taxes. The goods may remain there until needed, at which time they are cleared for Irish consumption by payment of duties and taxes or sent to the country of destination.

Certain types of processing—inward & outward—are allowed in the bonded warehouses under official supervision. Inwards processing is the temporary importation of raw materials or products for additional manufacture or processing. Merchandise imported for additional processing and eventually re-exported out of the EU is eligible for customs-free treatment.

- Re-exported goods may be partially or totally processed.
- Irish import duties and taxes are levied only on those goods that are not re-exported for final sale in the EU.
- To qualify for inwards processing, the Irish or EU firm must prove to customs that it is necessary for them to use imported goods instead of EU goods. In addition, the firm must state its intention to export products manufactured from the imported goods (or equivalent goods available in the EU). It must also assure that, upon re-exportation, the conditions set forth in the authorization are satisfied, the exported goods are accounted for, and the entered goods are identifiable and relate to specific imported products.

In outwards processing, an Irish firm may export goods for further manufacture or processing from the EU customs area and then re-import the final product.

- Duties and taxes are levied on the increased value added by the expatriate manufacturing or processing when the goods are returned to Ireland, not upon the total value of the product.
- Only firms located in Ireland or another EU country are eligible to take advantage of this option and should first gain approval by the Irish customs authorities.

Electronic Commerce

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The Irish Government's attitude and approach to internet-related issues is progressive and facilitative. Ireland was one of the first EU member states to implement the Electronic Signatures Directive through the Electronic Commerce Act 2000 (ECA). Ireland has also implemented the Electronic Commerce Directive. The general legislative approach is consistent with the government's stated aim of retaining a light and flexible technology-neutral regulatory regime in this area.

Increased household internet access (83%) has seen Irish online retailing activity grow to $5.4 billion - more than 15% of sales by Irish retailers annually. More than 40% of Irish consumers shop online, compared with just 14% back in 2004. Travel, hotel accommodation and event ticketing are the principal goods and services bought online.

More Irish firms are creating online sales portals as the successful online activities of firms such as Aer Lingus, Ryanair, and Ticketmaster becomes more apparent. Retail Ireland's Online Retailing Survey 2013 reports that 84% of retailers have an online presence while 64% intend to upgrade their presence in the next 18 months. The majority of retailers also advertise on social media channels such as Facebook and Twitter and over 50% have plans to focus on smartphone applications and tablet technology. Finally, U.S. companies such as Google, Facebook, LinkedIn, eBay, PayPal, Yahoo and Amazon have all established significant operations in Ireland.

The Electronic Commerce Directive (2000/31/EC) mentioned in the direct marketing section above provides rules for online services in the EU. It requires providers to abide by rules in the country where they are established (country of origin). Online providers must respect consumer protection rules such as indicating contact details on their website, clearly identifying advertising and protecting against spam. The Directive also grants exemptions to liability for intermediaries that transmit illegal content by third parties and for unknowingly hosting content. The European Commission released a work plan in 2012 in order to facilitate cross-border online services and reduce barriers and released a report on implementation of the action plan in 2013.

Key Link: http://ec.europa.eu/internal_market/e-commerce/directive_en.htm

In July 2003, the EU started applying Value Added Tax (VAT) to sales by non-EU based companies of Electronically Supplied Services (ESS) to EU-based non-business customers. U.S. companies that are covered by the rule must collect and submit VAT to EU tax authorities. European Council Directive 2002/38/EC further developed the EU rules for charging Value Added Tax. These rules were indefinitely extended following adoption of Directive 2008/8/EC.

U.S. businesses mainly affected by the 2003 rule change are those that are U.S.-based and selling ESS to EU-based, non-business customers or those businesses that are EU-based and selling ESS to customers outside the EU who no longer need to charge VAT on these transactions. There are a number of compliance options for businesses. The Directive created a special scheme that simplifies registering with each member state. The Directive allows companies to register with a single VAT authority of their choice. Companies have to charge different rates of VAT according to where their customers are located, but VAT reports and returns are submitted to just one authority. The VAT authority responsible for providing the single point of registration service is then responsible for reallocating the collected revenue among the other EU VAT authorities.

Key Link: http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

Trade Promotion and Advertising

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Ireland does not host any major international trade fairs, except in the tourism sector. In international terms, Irish trade fairs are small-scale events that attract local trade and consumer audiences. Thus, they principally offer sales and promotional opportunities for Irish manufacturers, agents, and distributors. In general, the international element of these events is limited to local representatives promoting international brands.

Due to the proximity of Ireland to major trade fairs in European cities, most Irish manufacturers, agents, distributors, and end users attend the major European exhibitions in their industry sectors. The U.S. Commercial Service in Dublin promotes U.S. pavilions at European tradeshows to the Irish business community to ensure that U.S. exhibitors can capitalize on potential Irish business opportunities.

- Ireland has approximately 60 newspapers and 150 periodicals or trade magazines. The Dublin dailies (Irish Times and Irish Independent) and The Irish Examiner (Cork) enjoy national distribution. The Irish Independent has the largest circulation, followed by The Evening Herald. The Irish Times has the smallest circulation in Dublin, but reaches the important business and financial markets.

- There are four national Sunday newspapers, of which The Sunday Business Post is directed at corporate executives. British newspapers and tabloids are widely available in Ireland.

- There is increased competition in the broadcasting sector with independent national broadcasting organizations, Newstalk (radio), Today FM (radio) and TV3 (television) now challenging the state-controlled Radio-Telefis Eireann (RTE) organization. A number of additional digital TV channels have emerged such as City Channel. There are also a large number of independent radio stations operating in local areas.

- Pay-TV households account for over 87% of the 1.55 million TV households in Ireland as free-to-air TV households continue to decline. In line with EU policy, Ireland ceased analog television services in October 2012 and this switchover saw Digital TV services increase significantly to now account for 97% of households.

- The Advertising Standards Authority of Ireland has established a code of standards that must be complied with by all advertisers. Advertising films must be approved before showing. Detailed advertising rates can be obtained from most local advertising agencies.

- There are numerous advertising agencies with a wide range of services in Ireland. Advertising agencies utilize every medium available to advertisers: direct mailings, press, radio, television, point-of-sale advertising, posters, public transportation vehicles and all social media channels.

- Other promotional techniques such as loyalty schemes, coupons, samples, premiums, and prizes are also used.

- The Irish Government strictly enforces laws covering gaming and lotteries, as well as restrictive trade practices. In 2010 the Irish Department of Justice & Equality published a major review of Irish gambling legislation 'Options for Regulating Gambling' that outlined a range of choices for developing a revised regulatory architecture for gambling into the future. The Department is currently engaged in a review of these proposals in order to develop relevant legislative proposals for discussion by the government.

- Companies that advertise and sell goods and services should obtain local professional advice regarding provisions of the law and consumer acceptance of promotional or marketing techniques.

Major organizations engaged in market research provide the usual range of services, including store audits, consumer surveys, product field-testing, and attitude and motivation research. There are differences, however, in spending habits and preferences for goods and services, and local opinion should be obtained first for a specific strategy that calls for a major commitment of resources.

Pricing Return to top

Sales quotations are usually given on a c.i.f. (cost, insurance, freight) basis, to the point of importation. The c.i.f. quote is generally preferred by Irish importers as they are familiar with the customs charges and taxes on the product that are levied at the time of importation but may not be acquainted with U.S. trucking and ocean or air charges.

- Large firms and department stores, however, may purchase on f.o.b. (free on board) terms when they prefer to arrange for shipping and insure the goods themselves.

- Quotations and invoices can be made in U.S. dollars.

- Ireland incorporates EC customs duties and applies a value-added tax (VAT) of 23% to virtually all goods, including imported goods, sold in Ireland.

Sales Service/Customer Support

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The provision of after-sales parts and service is essential and should be taken into account when entering into an agreement with an Irish partner. There are also a number of independent after-sales, warranty, and product servicing organizations specializing in specific business sectors.

Because of the differences between EU member states in relation to labeling, legal guarantees and liability, suppliers from outside of the EU should be aware of existing and upcoming legislation affecting sales, service and customer support and monitor EU initiatives aimed at harmonizing national legislation.

Product Liability

Under the 1985 Directive on liability of defective products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.

Key link:
http://ec.europa.eu/enterprise/policies/single-market-goods/product-liability/

Product Safety

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Key link: http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.

Key link: http://ec.europa.eu/consumers/rights/gen_rights_en.htm

Other issues pertaining to consumers' rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in Chapter 5 of this report.

Protecting Your Intellectual Property in Ireland:

Several general principles are important for effective management of intellectual property (“IP”) rights in the EU. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in the EU than in the United States. Third, rights must be registered and enforced in the EU under local laws. Your U.S. trademark and patent registrations will not protect you in the EU. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the EU market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally, cannot enforce rights for private individuals in EU. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in EU law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in the EU require constant attention. Work with legal counsel familiar with EU laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both EU or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at **www.StopFakes.gov**.

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.

- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.

- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.

- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: **http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html**

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: **www.StopFakes.gov** This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

- The U.S. Commerce Department has positioned IP attachés in key markets around the world. For contact information, please see: http://www.uspto.gov/ip/global/attache/Attache_Contacts_2012-08.doc

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Manufacturers seeking an Irish agent or distributor to service the domestic and European markets should consider visiting Ireland to appraise the relative merits of prospective agents. In addition to acquainting the U.S. exporter directly with local market conditions and special sales characteristics, a visit also provides an opportunity to discuss policy and sales campaigns with the agent or distributor, review responsibility for customs fees, taxes, labeling, transportation modalities, business procedures, payments and, if necessary, registration. These responsibilities should always be clearly defined before undertaking a long-term relationship.

- The U.S. Commercial Service at the U.S. Embassy in Dublin offers a range of business solutions to U.S. firms seeking agents, distributors, sales, or business partners in Ireland. U.S. firms interested in achieving representation in Ireland are welcome to contact the U.S. Commercial Service in Dublin for information on matchmaking services such as the Gold Key Service (GKS) and International Partner Search (IPS) and other customized services.

- U.S. firms are strongly encouraged to maintain close contact with newly appointed agents or distributors throughout their working relationship. Since certain products and equipment require servicing to maintain their useful life, the U.S. exporter should determine when this is needed and develop a distribution network to include such servicing by qualified personnel. To develop trust, loyalty, and marketing skills, U.S. producers frequently bring their agents or distributors to the United States for training and marketing assistance.

- Large Irish companies have listings on the Dublin and London stock exchanges, and in recent years, emerging high technology and internet companies have secured listings on the NASDAQ and the Frankfurt Stock Exchange. Publicly traded companies must publish substantive annual reports which meet the reporting requirements laid down by the accounting bodies and which comply with stock exchange regulations. In addition, company legislation requires that every registered company both privately held and publicly traded must file a set of audited accounts annually with the Companies Registration Office.

Copies of such audited accounts can be obtained directly from the Companies Registration Office for specified fees. In addition, mercantile agencies such as Dun & Bradstreet Ireland will undertake commercial credit reporting on any company in Ireland. These reports are available on-line at http://www.dbireland.com.

Local Professional Services

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An updated list of local professional service providers, to assist U.S. companies in doing business in Ireland, can be found on the CS Dublin website.

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Agent Distributor Agreement Termination

Rules Governing Competition

Rules Governing Payment

European Ombudsman

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

Agricultural Sectors

Drugs and Pharmaceuticals

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	8,585,446	8,876,030	10,020,571	11,122,834
Total Local Production	46,297,205	47,864,187	54,036,148	59,980,124
Total Exports	61,866,523	63,960,466	72,207,999	80,150.879
Total Imports	6,983,872	7,220,249	8,151,280	9,047,921
Imports from the U.S.	1,400,226	1,447,618	1,634,284	1,814,056
Exchange Rate: 1 USD	.72	.78	.76	.76

Note: The above statistics are in U.S. thousands and are unofficial CS Dublin estimates.

Ireland is recognized as a world leader in the area of pharmaceutical manufacturing and one of the world's largest exporters of medicines. The industry comprises 160 foreign and national companies and employs more than 24,500 people. Nine out of the top ten pharmaceutical companies in the world have substantial manufacturing facilities in the market where five out of the world's top twelve best selling drugs are produced in Ireland.

Pharmaceutical companies engage in manufacturing, marketing, contract R&D and clinical trials and produce both bulk and finished pharmaceuticals in the form of generic and branded products. They are supported by a sophisticated infrastructure of serviced sites, public utilities and specialist support services.

Ireland has the third lowest consumption per capita of medicines in the EU yet the market is growing annually by more than 10%. Inflation in pharmaceutical products is high compared to the EU average. Due to an increased focus on cost savings, doctors and pharmacists are being urged to prescribe and dispense a greater percentage of generic drugs. Medicines account for just 14% of the total healthcare budget which is less than the OECD average of 17.6%. At the end of 2012, the industry reached a three year agreement with the Irish government on drug prices, which is expect to yield savings of $530m for the healthcare sector.

Self-medication remains an important part of the total Irish market for pharmaceutical products with analgesics holding 26% market share, cough and cold treatment - 23%, vitamins - 18%, digestive & intestinal remedies - 17% and skin treatment - 16%. The four leading therapy areas are cardiovascular system at 21%, central nervous system - 18%, alimentary/metabolism - 17%, and respiratory - 11%.

Over-the-counter (OTC) medicines account for 16% of the total pharmaceutical market. Pharmacies account for 81% of the distribution network, hospitals and doctors account for 15%, while the remaining 4% comprises of supermarkets and other retail outlets.

Sub-Sector Best Prospects

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- Age-related Illnesses
- Cancer
- Diabetes
- Heart Disease
- Respiratory-related Diseases

In addition, a strong sub-supply sector has grown-up around the pharmaceutical industry to provide engineering, environmental consultancy, laboratory, health and safety, packaging and other support services. The sub-supply sector matches the industry in terms of employment on a one-to-one ratio.

Opportunities

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Opportunities exist for U.S. suppliers to capitalize on the strong level of receptivity for U.S. drugs and pharmaceuticals. Most promising sub-sectors include innovative treatments for the above listed areas together with generic medicines, non-prescribed OTC products, and complementary medicines.

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Department of Health and Children

Irish Pharmacy Union

The Irish Pharmaceutical Healthcare Association (IPHA)

The Pharmaceutical Society of Ireland

IDA Ireland

Irish Business and Employers Confederation

PharmaChemical Ireland

For further information about the Ireland drugs and pharmaceuticals industry contact:

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Franchising

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Sales	3,104,000	2,822,769	2,954,842	3,161,681
Total Sales by Local Firms	350,000	318,462	333,474	356,817
Sales by Foreign-owned Firms (non U.S.)	1,525,000	1,386,462	1,451,368	1,552,964
Sales by U.S.-owned Firms	1,229,000	1,117,846	1,170,000	1,251,900
Exchange Rate: 1 USD	.72	.78	.76	.76

Note: The above statistics are in U.S. thousands and are unofficial CS Dublin estimates (excludes food retailer/symbol franchises).

The Irish franchising sector experienced substantial growth in the 2000s with more than 300 systems operating 4,100 units in Ireland today. In particular, turnover has increased by 15% over the last five years with annual sales reaching $3 billion. The sector supports approximately 43,000 full-time equivalent jobs. Royalty fees average from 6 to 8% with advertising levies averaging 1.9%.

During the era of the Celtic Tiger, the market attracted the attention of many U.S. franchisors that had previously overlooked Ireland opting instead for larger EU markets. This surge in interest was met by a healthy supply of potential master licensees and franchisees many of whom were interested in acquiring the rights for Ireland, the United Kingdom, and other European markets. Many factors contributed to this growth including a buoyant economy, a franchise friendly environment, an increase in demand for business and personal services, and increased disposable income.

Despite a slow-down in the rate of franchise unit development over the last few years as a result of the recession, U.S. concepts continue to lead the way in terms of innovation and growth with 40% of all franchises in Ireland originating from the U.S. Franchisors with a quality offering, a realistic development plan and a long-term outlook are well positioned to find the right franchise partner in Ireland.

Sub-Sector Best Prospects

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More than half of all franchises are in the service sector, one third in the retail sector and a minority is comprised of van-based operations. U.S. franchises include household names such as ChemDry, Home Instead Senior Care, Papa Johns and Subway together with fast growing franchises such as Comfort Keepers, Fast Fix Jewelry Repairs and Foot Solutions. More recent American entrants to the market include Maui Wowi Juice Bars.

Opportunities

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Due to the economic downturn and the reduced lending capacity of banks, potential new entrants should take a cautious long-term approach to the market. While the downturn has generated benefits such as increased supply of real estate, reduction in commercial rents, and increased labor supply, the climate for entry and expansion has changed due to the reduced level of business activity and consumer market demand across franchising service sectors. As the economy begins to recover, and consumer confidence returns, future growth areas will include business services, children's education, home maintenance, retail, senior homecare, restaurant and food-related franchises.

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Irish Franchise Association

For more information about franchising in Ireland contact:

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Electrical Power Systems

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	2,644,481	2,514,292	2,657,871	2,737,607
Total Local Production	1,754,608	1,668,227	1,763,491	1,816,396
Total Exports	643,012	611,355	646,267	665,655
Total Imports	1,532,885	1,457,420	1,540,647	1,586,866
Imports from the U.S.	249,813	237,514	251,078	258,610
Exchange Rate: 1 USD	0.72	0.78	0.76	0.76

Note: The above statistics are in U.S. thousands and are unofficial CS Dublin estimates.

The Irish electricity market has been fully liberalized since February 2005. The Commission for Energy Regulation (CER) is the independent body responsible for overseeing the regulation of Ireland's electricity and natural gas sectors. The dominant local powergen player is the state-owned Electricity Supply Board (ESB). ESB Power Generation (ESB-PG) remains the dominant owner (60%) of Irish generation capacity alongside several independently-owned power plants such as Viridian and SSE Generation. Fossil fuels such as oil, gas, and coal dominate the power generation sector though renewables including those with increasing market share: hydropower, wind, peat, and biomass.

ESB Public Electricity Supplier (ESB-PES) is the principal electricity supplier to customers in Ireland though independent suppliers such as Bord Gais Eireann (Irish Gas Board) and Airtricity are emerging as strong competitors. ESB Networks is the independent Distribution System Operator and also Ireland’s Meter Operator. Ownership of the transmission system rests with the ESB as transmission asset owner (TAO) while EirGrid acts as the Transmission System Operator (TSO).

According to EirGrid's All-Island Generation Capacity Statement 2013-2022 fully dispatchable plant capacity in Ireland is 7,135 MW in 2013. This is expected to grow to 7,405 MW in 2014 the commissioning of several new powerplants. Dispatchable capacity is forecast to peak at 7664 MW in 2016 before declining to 7,059 MW in 2022.

Sub-Sector Best Prospects

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Because of the economic downturn, electricity demand in Ireland has fallen in recent years and is not expected to return to 2008 levels until 2015. This development has alleviated concerns about Ireland’s ability to cope with possible electricity supply/demand shortfalls especially given the country’s relative isolation from the European electricity network. An inter-connector, with a net transfer capacity of 330MW, with Northern Ireland represents Ireland's sole connectivity to the European network. The Single Electricity Market for the island of Ireland went live in November 2007 following completion of the joint Ireland/Northern Ireland All-Island Project (AIP). The proposed second North-South (Meath-Tyrone) inter-connector project is at the planning stage. In December 2012, Eirgrid's 500MW East-West interconnector with the UK (Wales) was fully operational and now the company has announced the signing of a Memorandum of Understanding with its French counterpart RTE (Réseau de transport d'électricité) to commission further preliminary studies on the feasibility of building a submarine electricity interconnector between Ireland and France.

As Ireland imports approximately 90% of its primary energy requirements, renewable energy is attracting substantial attention across the commercial and political spectrum. According to EirGrid's Annual Renewable Report Renewable 2012 Ireland has some 2,484 MW of installed renewable generation that can contribute some 18% of total electricity demand. The Irish government published a new Renewable Energy Strategy in 2012 with revised renewable targets to 2020.

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U.S. companies have achieved success in supplying technology, equipment, and systems to Irish power generation operators. The ESB's ongoing investment plans for upgrading its power generation assets, transmission, and distribution networks allied with independent power producer investment in new generation capacity as well as sustainable energy developments being fostered by Sustainable Energy Authority of Ireland offer excellent opportunities going forward.

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Department of Communications, Energy & Natural Resources

Commission for Energy Regulation

Sustainable Energy Authority of Ireland

Electricity Supply Board (ESB)

EirGrid

Public Procurement Portal (eTenders)

U.S. Commercial Service Dublin

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Medical Equipment

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	693,183	703,847	758,487	819,167
Total Local Production	3,926,877	3,987,291	4,296,830	4,640,577
Total Exports	4,544,588	4,614,505	4,972,736	5,370,555
Total Imports	1,310,894	1,331,061	1,434,393	1,549,145
Imports from the U.S.	783,750	795,808	857,587	926,194
Exchange Rate: 1 USD	.72	.78	.76	.76

Note: The above statistics are in U.S. thousands and are unofficial CS Dublin estimates.

The medical device and diagnostic manufacturing industry continues to be a vibrant growth sector and a cornerstone of the Irish economy with eleven of the world's top thirteen medical device companies having significant operations in Ireland. The sector is the second largest exporter of medical devices in Europe employing 25,000 people - the highest number per capita working in the industry in any country in Europe. A total of 250 companies are involved in developing, manufacturing, and marketing a diverse range of products from disposable plastic and wound care products, precision metal implants, orthopedic implants, diagnostics, contact lenses, and stents. Most of the products manufactured in Ireland are destined for export to the U.S. and other foreign markets.

The Irish healthcare system provides a mix of public and private healthcare. Irish medical staff is highly skilled with many doctors and surgeons having been trained in the United States. There are more than 11,000 in-patient beds and 1,200 day beds distributed across 51 public hospitals, 22 voluntary hospitals, and 19 private hospitals. In the primary care sector, there are around 1,650 general practitioners (MDs) and the number of people per doctor is approximately 680.

About 45% of people in Ireland have private health insurance with 64,000 dropping coverage in 2012 due to lack of affordability. 1.36 million people with low incomes and those over the age of 65 with modest incomes are entitled to avail of the free medical card scheme which is managed by the Health Services Executive. Charges apply for visits to a local doctor unless you have a government approved medical card.

The Irish Medicines Board is the regulatory authority for medical equipment and products in Ireland. Medical devices are regulated by EU Directives that set out compliance requirements and procedures including the Medical Devices Directive, the Active Implantable Medical Devices Directive, and the In-Vitro Diagnostic Medical Devices Directive.

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- Diagnostics
- Cardio and surgical equipment
- Electro-medical apparatus
- Orthopedic equipment
- Rehabilitation equipment
- Living assisted and homecare products
- Telemedicine

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Against a backdrop of substantial cutbacks in the healthcare service, the Irish Government has instigated reform within the sector including efforts to establish a Universal Healthcare Model which will provide free GP (MDs) service for all. Plans for reform also include the grouping of hospitals to streamline procurement and the provision of services, changes in work practice, a Special Delivery Unit to ease congestion in accident & emergency services, and the setting up of a Health Innovation Hub to facilitate commercialization of new technologies.

Plans for a new 445-bed National Children's Hospital are underway with the recent advance announcement of a proposed tender for the appointment of a design team for the hospital. The new children's hospital will merge the existing health services for children currently being provided at Our Lady's Children's Hospital Crumlin, the Children's University Hospital Temple Street and the National Children's Hospital Tallaght. The project will accommodate full clinical facilities for the provision of national tertiary services, as well as secondary services for the Greater Dublin Area. These will include: Emergency Department, operating theatres, out-patient and in-patient care, with 384 single rooms.

The Irish government is also focusing on preventive medicine and early detection systems with the implementation of countrywide breast, cervical and colon cancer screening schemes. Plans have also been developed for a National Diabetes Retinopathy Screening Program though launch of the service originally due to take place in 2012 has been delayed.

Public tender opportunities are advertised on the eTenders Public Procurement website. Also large numbers of Irish distributors attend the Medica Show in Dusseldorf in every November.

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Department for Health and Children

Health Services Executive

eTenders Public Procurement - Healthcare

Irish Medicines Board

IDA Ireland

Irish Medical Devices Association

Medtech Ireland Show

For more information about the Ireland medical equipment industry contact:

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Computer Software

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Unit: USD thousands

	2011	2012	2013 (estimated)	2014 (estimated)
Total Market Size	649,192	601,650	619,953	626,153
Total Local Production	17,622,862	16,332,326	16,829,172	16,997,464
Total Exports	17,298,266	16,031,501	16,519,196	16,684,388
Total Imports	324,596	300,825	309,977	313,077
Imports from the U.S.	155,016	143,664	148,035	149,515
Exchange Rate: 1 USD	0.72	0.78	0.76	0.76

Note: The above statistics are in U.S. thousands and are unofficial CS Dublin estimates.

The Irish software sector has consistently been one of Ireland's strongest business sectors over the past decade. With about 850 firms employing 20,000 people, the Irish software industry is very exported-oriented with more than 97% of domestic production sold abroad. U.S. software companies play a significant role in Ireland's ranking as one of the largest exporters of software worldwide as 60% of Irish software exports actually originate from U.S. subsidiaries. The 140 multinational software companies located in Ireland employ almost 12,000 people and use their operations to carry out a broad range of activities including core software development, e-learning, product customization, software testing, and fulfillment.

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Following a decade of sustained growth, the Irish IT market contracted by 4% in 2009 as the economic downturn caused the cancellation or postponement of IT system upgrades in line with reduced IT budgets. The market stabilized in 2010-12 and the outlook for 2013-14 is somewhat more positive with IT spending forecast to grow by 0.5% annually. End user demand for cloud computing [encompassing Software-as-a-Service (SaaS), Infrastructure-as-a-Service (IaaS), and Platform-as-a-Service (PaaS)] is expected to underpin market demand going forward. Industry analysts are forecasting that cloud computing will experience annual growth of 40% in Ireland in the short-term. Government IT spending continues to face significant challenges as the Irish government's large fiscal deficit has seen major spending cutbacks.

Annual expenditure in enterprise software is about $290 million and is driven by document and content management solutions, business intelligence and analytics, database, web servers, and enterprise portals. Expenditure on network storage software is around $70 million while the security software market is estimated at $140 million. Spending on software in the healthcare sector is circa $38 million.

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Despite the recent economic downturn, the Irish software sector offers excellent mid-to-long term opportunities for U.S. firms with innovative and leading-edge software products. Market-specific opportunities exist within the ERP, security, financial, healthcare, energy, and telecom segments. Ireland also continues to offer a proven gateway to Europe for U.S. software SMEs seeking to penetrate the lucrative European software market as Irish software exporters remain interested in forging joint venture/licensing agreements with U.S. technology partners. In 2011, Microsoft Ireland published a report highlighting the opportunities for the cloud computing sector to play a significant role in the future growth of Irish economy.

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ICT Ireland

Irish Software Association

TechCentral

Silicon Republic

Public Procurement Portal (eTenders)

U.S. Commercial Service Dublin

For more information about the Ireland computer software industry contact:

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Household and Consumer Goods

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Ireland has developed a world class environment in which to support and grow a huge variety of consumer product businesses – from online retail to Fast Moving Consumer Goods (FMCG) attracting some of the biggest and brightest names. There are 44,000 retail and wholesale businesses in the country and Ireland remains among the top 20 most international retail markets in the world.

Now, more than ever, businesses are getting the right retail and marketing structure in place to adapt to current market conditions. While consumer confidence is showing some signs of improvement, Irish consumers continue to be even more discerning resulting in the emergence of a new and dynamic value sector, offering more competition, and more choice.

Growth in the household and consumer products market closely corresponds with trends in consumer spending. Consumers have reacted cautiously to the ongoing economic problems by increasing savings and curtailing expenditure. Price competition remains dynamic. Ongoing economic difficulties have encouraged operators throughout the retail market to push on with their strategies of deep discounting and promotions, resulting in increased competition and pressure on suppliers to keep prices low. Another growing channel adding price competition to the market is internet retailing, which has seen notable development, as many store-based retailers have invested heavily in improving their online facilities and services.

In previous years there has been strong demand for a wide range of household and consumer goods. Whereas the present economic climate has impacted consumer spending there was a slowdown in the decrease of overall retail sales by only -1% in 2012 compared to end of year 2011. The sector with the largest month on month volume increase was Department Stores (+6.3%). Consumer spending is expected to remain flat for the rest of 2013 but growth of 1.4% is predicted for 2014.

Best Prospects/Services

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Sales of cosmetic goods are steady. Consumers may have less cash but women are still looking on cosmetics as “essentials”. Suppliers need to be aware of the ban on the placement on the EU market of cosmetic products containing ingredients that have been subject to animal testing.

Lower consumer confidence is hurting retail sales, making some retailers reluctant to commit to new products and lines. Nevertheless, one of the biggest trends in the household and consumer goods industry in recent years has been the constant demand for outdoor and gardening products such as barbeques, patio heaters, and garden furniture. This trend is expected to continue as more people entertain at home.

Demand for home security products has also risen in recent years. With a relatively young and growing population and some 80% of homes privately owned, the home security market represents long-term growth potential as the economy recovers.

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As economic conditions improve, market opportunities will exist for products such as housewares, DIY/hardware, giftware, toiletries and cosmetics, non-food groceries, clothing, footwear, toys, stationery, music/books, safety and security, sports goods and leisure products.

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Central Statistics Office

Forfás

For more information about household and consumer goods in Ireland contact:

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Agricultural Sectors

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For further details, exporters should contact the Foreign Agricultural Service situated in the Embassy of the United States in London, United Kingdom. The Foreign Agricultural Service's London office represents the U.S. Department of Agriculture (USDA) in the United Kingdom and Ireland. Working from the U.S. Embassy in London, its mission is to represent the interests of U.S. agriculture and promote the sale of American food and agricultural, fisheries and forestry products in England, Scotland, Wales, Northern Ireland, and the Republic of Ireland. The Office provides trade services both for local companies seeking U.S. products and for U.S. companies wishing to develop markets in the UK and Ireland. For more information about the Ireland's Agricultural Sectors contact the below individuals:

Gene Philhower
Counselor for Agricultural Affairs

Dorian Lunt
Executive Assistant

Julie Vasquez-Nicholson
Marketing Assistant

Steve Knight
Agricultural Specialist

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Website: Foreign Agricultural Service, London, UK

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Chapter 5: Trade Regulations, Customs and Standards

Ireland has been a member of the European Union (EU) since January 1, 1973. The EU is a customs union with free trade among the 27 Member States. The EU levies a common tariff on imports coming from non-EU countries such as the United States. Additionally, free trade is permitted between the 27 EU member states and the remaining 4 members of the European Free Trade Association (EFTA) through multiple agreements. Therefore, taxes such as the value-added tax (VAT) and excise taxes are levied in the country of final destination. The EU also has a common agricultural policy, joint transportation policy, and the free movement of goods and capital within Member States.

Import Tariffs

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Ireland applies EU tariffs (customs duties) which are based on the international Harmonized System (HS) of product classification. Duty rates on manufactured goods from the United States generally range from 5-8% and are usually based on the c.i.f. value of the goods at the port of entry. The c.i.f. value is the price of the goods (usually the sales price) plus packing costs, insurance, and freight charges to the port of entry. See: http://www.revenue.ie/en/about/foi/s16/templates/customs/

- Most raw materials enter duty free or at low rates. In accordance with EU regulations, agricultural and food items are often subject to import levies that vary depending on world market prices. The rates are based on the composition of foods and in particular some packaged foodstuffs can be affected.

Valued-added tax (VAT) is charged on the sale of goods and services within Ireland. Unlike customs duty, which is the same for all EU member countries, VAT is established by the tax authorities of each country.

- In Ireland, the standard VAT rate is 23%
.
- At each stage of the manufacturing and distribution chain, the seller adds the appropriate amount of VAT (tax on the amount of value that the seller added to the product, plus the amount of VAT passed on to the seller by the supplier) to the sales price.

- The tax is always quoted separately on the invoice. This process repeats itself at each stage until the product is sold to the final consumer, who bears the full burden of the tax.

- Every second month, all firms based in Ireland who are registered for VAT purposes subtract the VAT paid on the purchases of goods and services from the VAT collected on sales and remit the balance to the Irish government.

- For imports into Ireland, the VAT is levied at the same rate as for domestic products or transactions. The basis on which the VAT is charged on imports is the c.i.f. value at the port of entry, plus any duty, excise taxes, levies, or other charges (excluding the VAT) collected by customs at the time of importation. This total represents the value of the import when it clears customs.

- The importer is liable for payment of customs duties, VAT, and any other charges at the time of clearing the goods through customs.

- Temporary imports that will be re-exported are not subject to the VAT. The importer may have to post a temporary bond for the amount of the customs duty and taxes as security, which will be canceled when the goods are taken out of the country.

- Digitally-delivered goods and services such as software, music, film, games, and distant learning programs that are consumed within the EU are subject to VAT irrespective of whether they came from EU or non-EU based suppliers.

Excise taxes are levied on a limited number of products such as gasoline and diesel fuel, spirits, beer, wine, bottled water, cider, tobacco, motor vehicles, and liquid petroleum gas. The excise rates vary, depending on the products. The tax is imposed whether the goods are manufactured in Ireland or imported from EU or non-EU countries.

- Duties on excise goods imported from non-EU countries may be collected at the point of importation or when the goods are subsequently removed from a bonded warehouse.

- Excise tax is in addition to any customs duty or VAT. For trade within the EU, the duties are collected in the Member State of consumption. Special arrangements operate to allow excise goods to move duty free between the Member States and to collect the duty in the country of consumption.

- Firms wishing to manufacture goods subject to excise tax in Ireland must first obtain a license from the Office of the Revenue Commissioners. Premises may be approved to receive and store certain excise goods without payment of duty. This approval allows the deferral of duty on goods while they are being worked on or stored. Authorization may be obtained to import goods without the payment of tax to undergo processing and re-exportation.

The Integrated Tariff of the [European Union] Community, referred to as TARIC (Tarif Intégré de la Communauté), is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a license is required for a particular product, check the TARIC.

The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

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For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website: http://www.ustr.gov/about-us/press-office/reports-and-publications/2013/NTE-FTB.

Information on agricultural trade barriers can be found at the following website: http://www.fas.usda.gov/posthome/useu/

To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at http://www.trade.gov/tcc or the U.S. Mission to the European Union at http://export.gov/europeanunion/.

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Prior to signing a long-term contract or sending a shipment of considerable value, a U.S. exporter may wish to first obtain an official ruling on Irish customs classification, duty, and taxes.

Requests can be sent to The Office of the Revenue Commissioners. The request should describe the product, the material from which it is made, and other details needed by customs authorities to classify the product correctly.

While Customs will not provide a binding decision, the advance ruling usually will be accepted if the goods are found to correspond exactly to the sample or description provided.

- Shipments to Ireland require one copy each of the bill of lading (or air waybill) and the commercial invoice for customs clearance.

- Although no special format is necessary for the commercial invoice, it is advisable to include the following: date and place of shipment; firm's name and address of the seller and the buyer; method of shipping; number, kind, and markings of the packages and their numerical order; description of the goods using the usual commercial description according to kind, quality, grade, and the weight (gross and net, in metric units) along with any factors increasing or decreasing the value; agreed price of goods; unit cost; total cost; f.o.b. (free on board); factory plus shipping; insurance charges; delivery and payment terms; and the signature of a responsible official of the shipper's firm.

- Bills of lading should bear the name of the party to be notified. The consignee needs the original bill of landing in order to take possession of the goods.

- Certificates of Origin are not required for goods of U.S. origin. Products which U.S. companies import and then re-export to Ireland require a Certificate of Origin or other documentation that clearly proves their origin. Should Ireland maintain a quota on a product made in a foreign country, the U.S. exporter cannot re-export this product to Ireland.

- Ireland participates in the International Convention to Facilitate the Importation of Commercial Samples and Advertising Materials. Samples of negligible value imported to promote sales are accorded duty-free and tax-free treatment. Prior authorization is not required. To determine whether the samples are of negligible value, their value is compared with that of a commercial shipment of the same product.

- In obtaining duty-free status, it may be necessary for samples to be rendered useless for future sale by marking, perforating, cutting, or other means.

- Imported samples of commercial value may be granted a temporary entry and exemption from customs charges. A security is required in the amount of duty and tax chargeable, plus 10%.

- Samples may remain in the country for up to one year. Samples cannot be sold, put to their normal use (except for demonstration purposes), or utilized in any manner of remuneration.

- Goods imported as samples may be imported only in quantities constituting a sample according to normal commercial usage.

Since July 2009, nearly all companies doing business in the EU or companies exporting to the EU (i.e. Authorized Economic Operators) need an Economic Operator Registration and Identification number (EORI). EORI numbers are now required for Customs Declarations and to apply for Authorized Economic Operator status (http://www.revenue.ie/en/customs/businesses/economic/aeo-faq.html). Member states may have different procedures for applying for EORI numbers and exporters will be required to register for EORI in the first member state with whom they do business. However, once a company has an EORI it will be valid throughout the EU customs union and is expected to expedite customs processing.

U.S. Export Controls

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The U.S. Department of Commerce's Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR), which regulate the export and re-export of some commercial items, including "production" and "development" technology.

The items that BIS regulates are often referred to as "dual use" since they have both commercial and military applications. Further information on export controls is available at: http://www.bis.doc.gov/licensing/exportingbasics.htm

BIS has developed a list of "red flags," or warning signs, intended to discover possible violations of the EAR. Also, BIS has published "Know Your Customer" guidance. If there is reason to believe a violation is taking place or has occurred, report it to the U.S. Department of Commerce by calling the 24-hour hotline at 1(800) 424-2980, or via the confidential lead page at: https://www.bis.doc.gov/forms/eeleadsntips.html

The EAR does not control all goods, services, and technologies. Other U.S. government agencies regulate more specialized exports. For example, the U.S. Department of State has authority over defense articles and services. A list of other agencies involved in export control can be found on the BIS web site or in Supplement No. 3 to Part 730 of the EAR, which is available on the Government Printing Office Web site at: http://www.access.gpo.gov/bis/ear/ear_data.html

BIS provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two day seminars and focus on the basics of exporting as well as more advanced topics. A list of upcoming seminars can be found at: https://www.bis.doc.gov/seminarsandtraining/index.htm.

Temporary Entry

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Adequate warehousing facilities are available in major Irish cities. Bonded warehouses are operated in Dublin, Cork, Limerick, Waterford, and Galway. The Dublin Port Company maintains the largest warehousing organization in the country. In addition to storage facilities, the Port provides services needed by distributors such as packing, sorting, bottling, and transport service. Imported goods liable to a duty may be stored in a bonded warehouse in the port area or other locations without payment of duties or taxes. The goods may remain there until needed, at which time they are cleared for Irish consumption by payment of duties and taxes, or sent to the country of destination.

Simplified procedures are available to traveling U.S. business and professional people for the temporary importation of commercial samples and professional equipment for display or demonstration though the use of a “carnet.” A carnet is a customs document, obtained prior to departure, which facilitates customs clearance for temporary imports. With the carnet, goods may be imported without the payment of duty, tax, or additional security. A carnet is usually valid for one year from the date of issuance. A bond or cash deposit of 40% of the value of the goods covered by the carnet is also required. This will be forfeited in the event the products are not re-exported and duties and taxes are not paid. Carnets can be obtained from the U.S. Council for International Business.

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In Ireland, with only minor exceptions, there are no general requirements for marking imported goods with the country of origin. Certain food products must show particulars of place of origin, where its absence might mislead the consumer.

- Requirements for specific products should be obtained from the Irish importer.
- The import, export, or transit of non-Irish goods with markings that would lead one to believe that the goods are of Irish manufacture or origin is prohibited.
- False or misleading trademarks, product descriptions, and other deceptive indications are also prohibited. Goods may not be imported with marks suggestive of Irish origin unless they bear an indication of their true origin.
- There are no regulations for the marking of shipping packages. Proper shipping practice dictates that packages should bear the consignee's mark and be numbered unless the shipment is such that the content of the packages can be readily identified without numbers.
- Packaged foods must carry labels that conform to Irish labeling requirements. The information shown on the label is designed to provide the consumer with adequate details about the products including details on ingredients, net weight, "best before" date, "use by" date, and general usage instructions.
- In relation to “best before” and “use by” dates, U.S. exporters should note that in Ireland dates are written in the following sequence: date, month, year. For example: November 30, 2012 can be written as 30 Nov 12, 30-11-12, or 30/11/12.

Irish labeling requirements are similar to those used elsewhere in the EU except that the Irish authorities require that the name and the EU address of the manufacturer, distributor, or packer also appear on the label. Manufacturers should be mindful that in addition to the EU's mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling remains acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the freedom of Member States to require the use of language of the country of consumption.

An overview of EU mandatory and voluntary labeling and marking requirements has been compiled in the following market research report that is available at: http://buyusainfo.net/docs/x_366090.pdf.

Prohibited and Restricted Imports

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The Irish Government and the EU both have legislature on prohibited and restricted imports. An overview and updated list of prohibited and restricted goods into Ireland can be found at: http://www.revenue.ie/en/customs/prohibitions-restrictions/index.html. In addition, you will find detailed information on what goods can be sent to EU Member States from Ireland and can be received into Ireland from EU Member States.

Customs Regulations and Contact Information

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The documents required for shipments include items such as the commercial invoice, bill of lading or airway bill, packing list, insurance documents, and, when required, special certificates of origin, sanitation, and ownership.

A copy of the commercial invoice should accompany the shipment to avoid delays in customs clearance. It is worth noting that imprecise descriptions are a common reason for goods being held without customs clearance, meaning that a clear description of the goods is essential and should be worded in such a way as to describe the goods to an individual who may not necessarily have an understanding of a particular industry or article. A clear description of goods should satisfy three basic questions as to what the product is, for what is it used, and of what it is made.

No special form of invoice is required, but all of the details needed to establish the true value of the goods should be given. At least two additional copies of the invoice should be sent to the consignees to facilitate customs clearance.

U.S. exporters should note that since July 2009, nearly all companies doing business in the EU or companies exporting to the EU (i.e. Authorized Economic Operators) will need an Economic Operator Registration and Identification number (EORI). EORI numbers will be required for Customs Declarations and to apply for Authorized Economic Operator status. Member states may have different procedures for applying for EORI numbers and exporters will be required to register for EORI in the first member state they do business. However, once a company has an EORI it will be valid throughout the EU customs union and is expected to expedite customs processing. Information on the application of EORI in Ireland is available from Irish Customs.

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Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union standards created under the New Approach are harmonized across the 27 EU Member States and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking. For a list of new approach legislation, go to http://ec.europa.eu/enterprise/policies/european-standards/harmonised-standards/index_en.htm. The concept of new approach legislation is likely to disappear as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve as a kind of blueprint for existing and future CE marking legislation. Since 2010/2011 existing legislation has been reviewed to bring them in line with the NLF concepts.

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the European Union.

Agricultural Standards

The establishment of harmonized EU rules and standards in the food sector has been ongoing for several decades, but it took until January 2002 for the publication of a general food law establishing the general principles of EU food law. This Regulation introduced mandatory traceability throughout the feed and food chain as of January 1, 2005. For specific information on agricultural standards, please refer to the U.S. Mission to the EU Foreign Agricultural Service's website.

Standards Organizations

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EU standards setting is a process based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European or international level. There is strong encouragement for non-governmental organizations, such as environmental and consumer groups, to actively participate in European standardization.

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

- CENELEC, European Committee for Electrotechnical Standardization
- ETSI, European Telecommunications Standards Institute
- CEN, European Committee for Standardization, handling all other standards

Standards are created or modified by experts in Technical Committees or Working Groups. The members of CEN and CENELEC are the national standards bodies of the Member States, which have "mirror committees" that monitor and participate in ongoing European standardization. CEN and CENELEC standards are sold by the individual Member States standards bodies. ETSI is different in that it allows direct participation in its technical committees from non-EU companies that have interests in Europe and gives away its individual standards at no charge on its website.

In addition to the three standards developing organizations, the European Commission plays an important role in standardization through its funding of the participation in the standardization process of small- and medium-sized companies and non-governmental organizations, such as environmental and consumer groups. The Commission also provides money to the standards bodies when it mandates standards development to the European Standards Organization for harmonized standards that will be linked to EU technical legislation. Mandates can be checked on line at:

http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm.

Given the EU's vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU's standards regime is wide and deep - extending well beyond the EU's political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as Albania, Belarus, FYR Macedonia, and Morocco among others. Another category, called "partner standardization body" includes the standards organization of Mongolia and Australia, which are not likely to become a CEN member or affiliate for political and geographical reasons.

To know what CEN and CENELEC have in the pipeline for future standardization, it is best to visit their websites. CEN's "sectors" page provides an overview by sector and/or technical committee whereas CENELEC offers the possibility to search its database. ETSI's portal leads to ongoing activities.

With the need to adapt more quickly to market needs, European standards organizations have been looking for "new deliverables" which are standard-like products delivered in a shorter time frame. While few of these "new deliverables" have been linked to EU Regulations, expectations are that they will eventually serve as the basis for EU-wide standards.

Key Link: http://www.cen.eu/cenorm/products/cwa/index.asp

The role of standards in legislation is undergoing review. The Commission's proposal, which is now in its first reading at the European Parliament, clarifies the relationship between regulations and standards and confirms the role of the three European standards bodies in developing EN harmonized standards. The emphasis is also on referencing international standards where possible. For information, communication and technology products, the importance of interoperability standards has been recognized. Through a newly established mechanism, a board will decide which deliverables from fora and consortia will be acceptable for public procurement specifications. The European standards bodies have been encouraged to improve efficiency in terms of delivery and to look for ways to include more societal stakeholders in European standardization.

Key Link: http://ec.europa.eu/enterprise/policies/european-standards/standardisation-policy/index_en.htm

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: http://www.nist.gov/notifyus/

Conformity Assessment

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Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages, from design to production, to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice regarding conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. Conformity assessment bodies in individual member states are listed in the European Commission's NANDO website.

To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN's certification systems are the Keymark, the

CENCER mark, CEN workshop agreements (CWA) Certification Rules and the European Standard Agreement Group. CENELEC has its own initiative. ETSI does not offer conformity assessment services.

Product Certification

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To sell products in the EU market of 27 member states as well as in Norway, Liechtenstein and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards. There is no easy way for U.S. exporters to understand and go through the process of CE marking, but hopefully this section provides some background and clarification.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and published in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements. Trade barriers occur when design, rather than performance, standards are developed by the relevant European standardization organization, and when U.S. companies do not have access to the standardization process through a European presence.

The CE marking addresses itself primarily to the national control authorities of the Member States, and its use simplifies the task of essential market surveillance of regulated products. As market surveillance was found lacking, the EU adopted the New Legislative Framework, which went into force in 2010. As mentioned before, this framework is like a blueprint for all CE marking legislation, harmonizing definitions, responsibilities, European accreditation and market surveillance.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the local contact [authorized agent] established in the EU. This detailed information should not appear next to the CE marking, but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

Accreditation

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Independent test and certification laboratories, known as notified bodies, have been officially accredited by competent national authorities to test and certify to EU requirements.

"European Accreditation" (http://www.european-accreditation.org/content/home/home.htm) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58.

Publication of Technical Regulations

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The Official Journal is the official gazette of the European Union. It is published daily on the internet and consists of two series covering draft and adopted legislation as well as case law, studies by committees, and more. It lists the standards reference numbers linked to legislation. The National Technical Regulations are published on the Commission's website to allow other countries and interested parties to comment.

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT) Agreement to report to the WTO all proposed technical regulations that could affect trade with other member countries. Notify U.S. is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect access to international markets.

Labeling and Marking

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Manufacturers should be mindful that, in addition to the EU's mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling remains acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of Member States to require the use of language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC, harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers.

The Eco-label

The EU eco-label is a voluntary label which U.S. exporters can display on products that meet high standards of environmental awareness. The eco-label is intended to be a marketing tool to encourage consumers to purchase environmentally-friendly products. The criteria for displaying the eco-label are strict, covering the entire lifespan of the product from its manufacture, use, and disposal. These criteria are reviewed every three to five years to take into account advances in manufacturing procedures. There are currently twenty-three different product groups, and approximately 250 licenses have been awarded for several hundred products.

Applications to display the eco-label should be directed to the competency body of the member state in which the product is sold. The application fee will be somewhere between €300 and €1300 depending on the tests required to verify if the product is eligible. The eco-label also carries an annual fee equal to 0.15% of the annual volume of sales of the product range within the European community. However, the minimum annual fee is currently set at €500 and maximum €25,000.

There are plans to significantly reform the eco-label in the near future, reducing the application and annual fees and expanding the product ranges significantly. It is also possible that future eligibility criteria may take into account carbon emissions.

Key Links:
Eco-label Home Page

Trade Agreements

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For a list of trade agreements with the EU and its Member States, as well as concise explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp.

Web Resources

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National Standards Authority of Ireland
Santry
Dublin 9, Ireland

Office of the Revenue Commissioners
Dublin Castle
Dublin 2, Ireland

EU websites:

Online customs tariff database (TARIC)

The Modernized Community Customs Code (MCCC)

European Chemicals Agency (ECHA)

Taxation and Customs Union

Security and Safety Amendment to the Customs Code - Regulation (EC) 648/2005

Electronic Customs Initiative

Modernized Community Customs Code

What is Customs Valuation?

Customs and Security

Establishing the Community Customs Code:

Regulation (EC) n° 648/2005 of 13 April 2005

Pre Arrival / Pre Departure Declarations

Authorized Economic Operator

New Approach Legislation

Cenelec, European Committee for Electrotechnical Standardization

ETSI, European Telecommunications Standards Institute

CEN, European Committee for Standardization, handling all other standards

European Telecommunications Standards Institute (ETSI) – Portal – E-Standardisation

The European Committee for Standardization (CEN) – Sector Fora

New Approach Notified and Designated Organizations Information System (Nando)

Mutual Recognition Agreements (MRAs)

European Co-operation for Accreditation

Eur-Lex – Access to European Union Law

Standards Reference Numbers linked to Legislation

National Technical Regulations

National Institute of Standards and Technology (NIST) - Notify us

Metrology, Pre-Packaging – Pack Size

European Union Eco-label Homepage

U.S. websites:

Agricultural Trade Barriers

Trade Compliance Center

U.S. Mission to the European Union

The New EU Battery Directive

The Latest on REACH

Waste Electrical and Electronic Equipment Directive (WEEE) and Restriction of Hazardous Substances (RoHS) in the EU

Overview of EU Certificates

Center for Food Safety and Applied Nutrition

EU Marking, Labeling and Packaging – An Overview

The European Union Eco-Label

Trade Agreements

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Chapter 6: Investment Climate

Openness to Foreign Investment

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The Irish Government actively promotes foreign direct investment (FDI), a strategy that has fueled economic growth since the mid-1990s. The principal goal of Ireland's investment promotion has been employment creation, especially in technology-intensive and high-skill industries. More recently, the Government has focused on Ireland's international competitiveness by encouraging foreign-invested companies to enhance research and development (R&D) activities and to deliver higher-value goods and services.

The Irish Government's actions have achieved considerable success in attracting U.S. investment. In 2011 the U.S. investment stock in Ireland, a country of 4.6 million people, was worth USD 188 billion. This cumulative quantum of FDI exceeds that of all FDI in the BRICs combined. There are over 700 U.S. firms in Ireland, directly employing approximately 115,000 workers and supporting work for another 250,000, out of a total labor force of 2.2 million. U.S. firms operate primarily in the following sectors: chemicals; bio-pharmaceuticals and medical devices; computer hardware and software; electronics; and, financial services. Ireland has become a magnet for U.S. internet/digital media investment, with industry leaders Google, Amazon, eBay/Paypal, Facebook, Twitter, LinkedIn and Electronic Arts making Ireland the hub of their respective European operations.

U.S. companies are attracted to Ireland as an exporting sales and support platform to the European Union (EU) and other global markets such as the Middle East and Africa. Other reasons for Ireland's attractiveness as an FDI destination include: a 12.5 percent corporate tax rate for domestic and foreign firms; the quality and flexibility of the English-speaking workforce; availability of a multi-lingual labor force, cooperative labor relations; political stability; pro-business government policies; a transparent judicial system and, the pulling power of existing companies operating successfully in Ireland (a "clustering" effect). Factors that negatively affect Ireland's ability to attract investment include: high labor and operating costs; skilled-labor shortages; eurozone risk and fallout from Ireland's ongoing economic and financial restructuring as an IMF/ECB/EU program country; sometimes-deficient infrastructure (such as in transportation, energy and internet/broadband), and absolute price levels that are among the highest in Europe. The Irish government has, itself, become concerned that energy costs and the reliability of energy supply could undermine Ireland's attractiveness as an FDI destination. The American Chamber of Commerce has noted the need for greater attention to a "skills gap" in the supply of Irish graduates to the high technology sector.

The following four state organizations currently promote investment into Ireland by foreign companies:

- The Industrial Development Authority of Ireland (IDA Ireland) has overall responsibility for promoting and facilitating FDI in all areas of the country, except the Shannon Free Zone. IDA Ireland is also responsible for attracting foreign companies to Dublin's International Financial Services Center (IFSC). IDA Ireland maintains six U.S. offices in New York, Boston, Chicago, Mountain View, Irvine, and Atlanta, as well as multiple offices in Europe and Asia;

- Enterprise Ireland promotes joint ventures and strategic alliances between indigenous and foreign companies. The agency also assists foreign firms that wish to establish food and drink manufacturing operations in Ireland;

- Shannon Development, originally the Shannon Free Airport Development Company promotes FDI in the Shannon Free Zone (see description below) and owns properties in the Shannon region as potential investment greenfield-sites. Under the 2006 Industrial Development Amendments Act, responsibility for investment by Irish firms in the Shannon region was transferred from Shannon Development to Enterprise Ireland. IDA Ireland remains responsible for FDI in the Shannon region outside the Shannon Free Zone;

- Udaras na Gaeltachta (Udaras) has responsibility for economic development in those areas of Ireland where Irish (Gaeilge) is the predominant language and works with IDA Ireland to promote overseas investment in these regions.

New legislation regarding industrial development promotion is in the pipeline that may alter the remit of these agencies; however it is unlikely to be enacted until late 2013.

Major Laws/Rules/Taxation Policy

Ireland's judicial system is transparent and upholds the sanctity of contracts, as well as laws affecting foreign investment. These laws include:

- The Industrial Development Act of 1993, which outlines the functions of IDA Ireland;

- The Mergers, Takeovers and Monopolies Control Act of 1978, which sets out rules governing mergers and takeovers by foreign and domestic companies;

- The Competition (Amendment) Act of 1996, which amends and extends the Competition Act of 1991 and the Mergers and Takeovers (Control) Acts of 1978 and 1987, and sets out the rules governing competitive behavior;

- The Companies Act of 1963, which contains the basic requirements for incorporation in Ireland (amended in 1990); and,

- The 2004 Finance Act, which introduced tax incentives to encourage firms to set up headquarters in Ireland and to conduct R&D.

In addition, there are numerous laws and regulations pertaining to employment, social security, environmental protection and taxation, with many of these keyed to EU Directives.

One of Ireland's most attractive features as an FDI destination is its low corporate tax rate. Since 2003, the corporate tax rate for both foreign and domestic firms has been 12.5 percent. Ireland's corporate tax rate is among the lowest in the EU, and the Irish government continues to oppose proposals not only to harmonize taxes at a single EU rate, but also to standardize the accounting methods used by EU Member States to calculate corporate taxes.

All firms incorporated in Ireland are treated on an equal basis. With only a few exceptions, there are no constraints preventing foreign individuals or entities from ownership or participation in private firms/corporations. The most significant of these exceptions is that, as with other EU countries, Irish airlines must be at least 50 percent owned by EU residents in order to have full access to the single European aviation market. There are also requirements related to the purchase of agricultural lands (see below).

There are no barriers to participation by foreign institutions in the sale of state-owned Irish companies, as evident for example in the purchase by U.S. investors of shares of the formerly state-owned national airline Aer Lingus during its privatization. While Ireland does not have a formal privatization program, it has agreed as part of its Troika bailout program to privatize some of its state-owned and semi-state owned enterprises. The government privatized Aer Lingus in 2005 through a stock market flotation which, at that time, valued the carrier at 1.2 billion euro. (That valuation has since fallen to €590 million with the Government still retaining about a one-quarter stake in the airline). Residents of Ireland, however, may be given priority in share allocations to retail investors, as was the case with the state-owned telecommunications company Eircom, privatized in 1998. The government has indicated that it will sell its remaining share of Aer Lingus as well as some non-strategic elements of Bord Gais Eireann (BGE) and ESB - the electricity supply company.

Citizens of countries other than Ireland and other EU member states can acquire land for private residential purposes and for industrial purposes. Under Section 45 of the Land Act, 1965, all non-EU nationals must obtain the written consent of the Land Commission before acquiring an interest in land zoned for agricultural use. There are many stud farms and racing facilities in Ireland that are owned by foreign nationals. No restrictions exist on the acquisition of urban land.

There is no formal screening process for foreign investment in Ireland, though investors looking to receive Government grants or assistance through one of the four state agencies responsible for promoting foreign investment in Ireland are often required to meet certain employment and investment criteria. These screening mechanisms are transparent and do not impede investment, limit competition, or protect domestic interests. Potential investors are also required to examine the environmental impact of the proposed project and to meet with Irish Environmental Protection Agency (EPA) officials.

Third Party Indicators:

Measure	Year	Index/Ranking
TI Corruption Index	2012	26 (out of 176)
Heritage Economic Freedom	2012	9 (out of 179)
World Bank Doing Business	2012	15 (out of 185)

Conversion and Transfer Policies

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Ireland uses the euro as its national currency and enjoys full current and capital account liberalization. There are no restrictions or reported significant delays in the conversion or repatriation of investment capital, earnings, interest, or royalties, nor are there any plans to change remittance policies. Likewise, there are no limitations on the import of capital into Ireland. Foreign exchange is easily obtainable at market rates.

Expropriation and Compensation

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Private property is normally expropriated only for public purposes in a non-discriminatory manner and in accordance with established principles of international law. State condemnations of private property are carried out in accordance with recognized principles of due process. Where there are disputes between owners of private property subject to a government taking, the Irish courts provide a system of judicial review and appeal.

Dispute Settlement

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There is no specific domestic body for handling investment disputes. The Irish legal system is based on common law, legislation and the Constitution. The Companies Act 1963 (amended 1990) is the most important body of law dealing with commercial and bankruptcy law and is applied consistently by the courts. Irish bankruptcy laws give creditors a strong degree of protection. The Department of Jobs, Enterprise and Innovation has primary responsibility for drafting and enforcing company law.

The judiciary is independent, and litigants are entitled to trial by jury in commercial disputes. Ireland is a member of the International Center for the Settlement of Investment Disputes, and the Irish Government has been willing to agree to binding international arbitration of investment disputes between foreign investors and the state. Ireland is also a party to the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards.

Ireland has no specific domestic laws governing investment disputes that apply only to foreign firms. There is, however, a legal arbitration framework available to parties that opt to arbitrate a dispute, including investment disputes, rather than litigate the case. Currently, the Embassy is unaware of any disputes involving investments by U.S. firms either in arbitration or litigation. In recent years, however, U.S. business representatives have occasionally called into question the transparency of government tenders.

According to some U.S. firms, lengthy budgetary decisions delay procurements and the Government sometimes identifies preferred bidders before making a tender decision. Some U.S. firms also claim that unsuccessful bidders have had difficulty receiving information on the rationale behind the tender outcome. Conversely, successful bidders have experienced delays in finalizing contracts, commencing work on major projects, obtaining accurate project data, and receiving compensation for work completed, including through conciliation and arbitration processes. Successful bidders have also subsequently found that the original tenders do not accurately describe conditions on the ground.

Performance Requirements and Incentives

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The Irish Government does not maintain any measures that it has notified to the WTO as being inconsistent with Trade-Related Investment Measures (TRIMs) requirements, nor have there been any allegations that the Government maintains such measures.
Three Irish organizations -- IDA Ireland, Shannon Development and Udaras – currently have regulatory authority for administering grant aid to investors for capital equipment, land, buildings, training, R&D, etc. Foreign and domestic business enterprises that seek grant aid from these organizations must submit investment proposals. Typically, these proposals include information on fixed assets (capital), labor, and technology/R&D components, and establish targets using criteria such as sales, profitability, exports, and employment. This information is treated in confidence by the organizations, and each investment proposal is subject to an economic appraisal prior to approval for support.

Performance requirements are generally based on employment creation targets established between the state investment agencies and foreign investors. Grant aid is paid out only after externally audited performance targets have been attained. Generally, parent companies must guarantee repayment of the government grant if the company closes before an agreed period of time elapses, normally ten years after the grant has been paid. Grant agreements generally have a term of five years after the date on which the last grant is paid. There are no requirements that foreign investors purchase from local sources or allow nationals to own shares.

The current EU Regional Aid Guidelines (RAGs) that apply to Ireland are effective since January 1, 2007. The RAGs govern the amount of grant aid that the Irish Government can provide to companies, depending on their location. The differences in the aid ceilings reflect the less developed status of business/infrastructure in regions outside the greater Dublin area.

While investors are free, subject to planning considerations, to choose the location of their investment, IDA Ireland has encouraged investment in regions outside Dublin since the 1990s. This linkage is consistent with Irish government policy, adopted in 2001, of spreading investment more evenly around the country. The IDA's "Ireland Horizon 2020" strategy has the stated goal of having 50 percent of all new FDI investments located outside the main urban centers of Dublin and Cork by 2014. To encourage the location of firms outside Dublin, IDA Ireland has developed "magnets of attraction," including: a Cross Border Business Park linking Letterkenny in Ireland and Derry in Northern Ireland; a regional Data Center in Limerick; and the National Microelectronics Research Center in Cork. IDA Ireland has supported construction of business parks in Oranmore and Dundalk for the biotechnology sector.

There are no restrictions, de jure or de facto, on participation by foreign firms in government-financed and/or -subsidized R&D programs on a national basis. In fact, the government strongly encourages and incentivizes foreign companies to conduct R&D as part of a national strategy to build a more knowledge-intensive, innovation-based economy. Science Foundation Ireland (SFI), the state science agency, has been responsible for administering Ireland's R&D funding since 2000. Under its current strategy, SFI is investing over $200 million annually in R&D activities. It is targeting leading researchers in Ireland and overseas to promote the development of biotechnology, information and communications technology, and energy, as well as complementary worker skills. A key aspect of Government support is a flexible 25 percent tax credit on the cost of eligible Research Development and Innovation (RDI) activity and of any building with a 35 percent RDI activity level over four years. A number of U.S. firms have already used these tax credits to build and operate R&D facilities. For example, Genzyme invested in new process-development facilities in Waterford while Citibank operates it's only global research, development, innovation and learning center in Dublin.

Visa, residence, and work permit procedures for foreign investors are non-discriminatory and, for U.S. investors, generally liberal. There are no restrictions on the numbers and duration of employment of foreign managers brought in to supervise foreign investment projects, though their work permits must be renewed yearly. There are no discriminatory export policies or import policies affecting foreign investors.

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Right to Private Ownership and Establishment

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The most common form of business organization in Ireland is the incorporated company, limited by shares, registered under the Companies Act, 1963, or previous legislation. Irish law does not prevent foreign corporations from carrying on business in Ireland. Any company incorporated abroad that establishes a branch must, however, file certain papers with the Registrar of Companies. A foreign corporation with a branch in Ireland will have the same standing in Irish law for purposes of contracts, etc., as a company incorporated in Ireland. Private businesses are not at a competitive disadvantage to public enterprises with respect to access to markets, credit, and other business operations.

Protection of Property Rights

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(I) Real Property

Secured interests in property, both chattel and real estate, are recognized and enforced. The Department of Justice and Equality administers a reliable system of recording such security interests through the Property Registration Authority (PRA) and Registry of Deeds. The PRA registers a person's interest in property on a public register. In certain cases, this ensures that an owner's interest in property is documented and protected (by a State guarantee). All property acquired since 2010 must be registered in the PRA. Ireland also operates a document registration system through the Registry of Deeds in which deeds (as distinct from titles) may be registered, priority obtained, and third parties placed on notice of the existence of documents of title. An efficient, non-discriminatory legal system is accessible to foreign investors to protect and facilitate acquisition and disposition of all property rights.

(II) Intellectual Property Rights

Ireland is a member of the World Intellectual Property Organization and a party to the International Convention for the Protection of Intellectual Property. Legislation enacted in 2000 brought Irish intellectual property rights (IPR) law into compliance with Ireland's obligations under the WTO Trade-Related Intellectual Property Treaty (TRIPs). The legislation gives Ireland one of the most comprehensive legal frameworks for IPR protection in Europe.

This legislation addressed several TRIPs inconsistencies in previous Irish IPR law that had concerned foreign investors, including the absence of a rental right for sound recordings, the lack of an "anti-bootlegging" provision, and low criminal penalties that failed to deter piracy. The legislation provides for stronger penalties on both the civil and criminal sides but does not include minimum mandatory sentencing for IPR violations.

As part of this comprehensive copyright legislation, revisions were also made to the non-TRIPs conforming sections of Irish patent law. Specifically, the IPR legislation addresses two concerns of many foreign investors in the previous legislation:

- the compulsory licensing provisions of the previous 1992 Patent Law were inconsistent with the "working" requirement prohibition of TRIPs Articles 27.1 and the general compulsory licensing provisions of Article 31; and,

- applications processed after December 20, 1991, did not conform to the non-discrimination requirement of TRIPs Article 27.1.

DVD, CD and software piracy continues to be a problem, with the Business Software Alliance citing software piracy rates of 34 percent in Ireland with the cost to industry estimated at $144 million in 2011. Industry groups believe that light penalties given to counterfeiters in DVD piracy court cases hamper police enforcement efforts. The government has responded since 2006 to piracy problems through an inter-agency task force, which works with industry on countermeasures.

The government continues to crack-down on the sale of illegal cigarettes smuggled into the country by both international and local organized criminal groups. Cigarettes in Ireland are heavily taxed making illegal trade in counterfeit and untaxed cigarettes highly lucrative.

The Irish government enacted the EU Copyright and Related Rights Regulation 2012 into law in February 2012. The law makes it possible for copyright holders to seek court injunctions against companies such as internet service providers or social networks whose systems are hosting copyright-infringing material. It is intended that the courts will ensure that any remedy provided will uphold the freedom of internet service providers, or ISPs, to conduct their business. The legislation ensures that an ISP cannot be mandated to carry out monitoring of the information it carries. It must also ensure that measures implemented are “fair and proportionate” and not “unnecessarily complicated or costly”. The law also states that fundamental rights of customers of an ISP must be respected by the court including their right to protection of their personal data and their freedom to receive or impart information.

Transparency of Regulatory System

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The Irish Government employs a transparent and effective policy framework that fosters competition between private businesses in a non-discriminatory fashion. U.S. businesses can, in general, expect to receive national treatment in their dealings with the Government.

In recent years, independent bodies have taken over regulatory powers from Cabinet departments in key economic sectors. The Commission for Communications Regulation and the Commission for Energy Regulation are responsible for regulating the communications and energy sectors, respectively. Both are independent bodies with institutional links to the Department of Communications, Energy and Natural Resources.

The Commission for Aviation Regulation is an independent body that regulates the aviation sector. It is institutionally linked to the Department of Transport, Tourism and Sport which has direct regulatory powers over other segments of the transportation sector.

The Competition Act of 2002, subsequently amended and extended by the Competition Act 2006, strengthens the enforcement power of the independent statutory agency, the Competition Authority. The act also introduces criminal liability, increases corporate liability, and outlines available defenses. Most tax, labor, environment, health and safety, and other laws are compatible with European Union regulations, and they do not adversely affect investment. Proposed laws and regulations are published in draft form for public comment, including by foreign firms and their representative associations. Bureaucratic procedures are transparent and reasonably efficient, in line with a general pro-business climate espoused by the Government.

Efficient Capital Markets and Portfolio Investment Return to top

Capital markets and portfolio investments operate freely, and there is no discrimination between Irish and foreign firms. In some instances, development authorities and banks are able to facilitate loan packages to foreign firms with favorable credit terms. Credit is allocated on market terms; however the ongoing banking crisis has limited the amount of credit available to small and medium-sized firms. Irish legal, regulatory, and accounting systems are transparent and consistent with international norms and provide a secure environment for portfolio investment. The capital gains tax rate increased from 30 percent to 33 percent from December 2012.

The Irish banking sector, like many worldwide, came under intense pressure in 2007 and 2008 following the collapse of Ireland's construction industry and an end to Ireland's property boom. Subsequently, it was determined that a number of Ireland's financial lenders were severely under-capitalized and required government intervention to survive. The government introduced temporary guarantees to personal depositors in 2008—maintained to this day—to ensure that deposits remained in Ireland and has so far continued these guarantees. One of the main banks involved in property lending, Anglo Irish Bank, was nationalized and the Government has taken majority stakes in several others, some of which have now become effectively nationalized as a result. The Irish government also created the National Asset Management Agency (NAMA) —a government-run organization—into which the Irish banks have transferred most of their property-related loan books. With increased exposure to bank debts, the government found it difficult to place sovereign debt on international bond markets and had to seek IMF and EU intervention in November 2010. A rescue package of €85 billion (€67.5 billion of this from external sources) was agreed to cover government deficits and costs related to the bank recapitalizations. Following further government capitalization of Allied Irish Banks, the effective control of the bank transferred to the Irish government by the end of 2010. Irish Nationwide Building Society and EBS have also been taken into state control. The government has also helped re-capitalize Irish Life and Permanent and Bank of Ireland. Bank of Ireland succeeded in remaining non-nationalized by realizing capital from the sale of non-essential portfolios as well as targeted burden-sharing with some bondholders. The government, in line with IMF and EU Bailout program recommendations, has now forced Irish banks to deleverage their non-core assets with a view to reducing Ireland's banks to simply servicing domestic demand.

Many U.S. banks have operations in Ireland in Dublin's International Financial Services Center and provide a range of financial services to clients in Europe and worldwide. Among these are State Street, Citigroup, Merrill Lynch, Wells Fargo, JP Morgan and Northern Trust.

At the end of 2012, equity market capitalization in the Irish Stock Exchange (ISE) was €54.4 billion, up €7.8 billion from the end of 2011. In terms of market weight, the stocks of CRH (a construction industry supplier), Ryanair (a low-cost airline) and Kerry Group (a food and ingredient firm) continue to be dominant. The ISE delivered returns of between 19 and 28 percent annually from 2002 to 2006. However, driven in part by concerns over possible spillover effects from the sub-prime crisis in the United States, its market capitalization started to fall in 2007. As the Irish banking and fiscal crisis evolved, the market capitalization of bank stocks plummeted. The markets began to stabilize in 2011 and continue to perform well in 2012. In 2005, the ISE opened up a secondary market—the Irish Enterprise Exchange (IEX), which caters to smaller firms with a minimum market cap of 5 million euro.

The Central Bank Reform Act of 2010, created a single unitary body – the Central Bank of Ireland (CBI) — responsible for both central banking and financial regulation. The new structure replaces the previous related entities, the Central Bank and the Financial Services Authority of Ireland, and the Financial Regulator.

The CBI is a member of the European System of Central Banks (ECB), whose primary objective is to maintain price stability in the euro area. Ireland no longer operates an independent monetary policy. Rather, ECB formulates and implements monetary policy for the Eurozone and the CBI implements that policy at the national level. The Governor of the CBI is a member of the Governing Council for the ECB and has an equal say in the formulation of monetary and interest rate policy. The other main tasks of the CBI include: issuing euro currency in Ireland; acting as manager of the official external reserves of gold and foreign currency; conducting research and analysis on economic and financial matters; overseeing the domestic payment and settlement systems; and managing investment assets on behalf of the State.

The Irish Takeover Panel Act of 1997 governs company takeovers. Under the Act, the "Takeover Panel" issues guidelines, or "Takeover Rules," which aim to regulate commercial behavior in the context of mergers and takeovers. According to minority "squeeze-out" provisions in the legislation, a bidder who holds 80 percent of the shares of the target firm (or 90 percent for firms with securities on a regulated market) can compel the remaining minority shareholders to sell their shares.

There are no reports that the Irish Takeover Panel Act has been used to prevent foreign takeovers specifically, and, in fact, there have been several high-profile foreign takeovers of Irish companies in the banking and telecommunications sectors in recent years. In 2006, for example, an Australian investment group, Babcock & Brown, acquired the former national telephone company, Eircom, and subsequently sold it to Singapore Technologies Telemedia in 2009. The EU Directive on Takeovers provides a framework of common principles for cross-border takeover bids, creates a level playing field for shareholders, and establishes disclosure obligations throughout the EU. The

Directive was fully implemented through Irish legislation in May 2006, though many of its principles had already been enacted in the Irish Takeover Panel Act 1997.

Competition from State Owned Enterprises

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There are a number of state-owned enterprises (SOE) in Ireland in the energy, broadcasting and transportation sectors. The two energy SOEs are Electric Ireland (EI) and Bord Gáis (BG), while Raidió Teilifís Éireann (RTE) operates the national broadcasting service, and Córas Iompair Éireann (CIE) provides bus and train transportation throughout the country. Eircom, the national telecommunication service, and Aer Lingus, the national airline, have been privatized, though the government still retains a 25 percent stake in Aer Lingus. CIE remains wholly- owned by the government. All of Ireland's SOEs are open to competition for market share and can, as in the case of ESB and BG, compete with one another. The SOEs do not discriminate against, or place unfair burdens, on foreign investors or foreign-owned investments.

There has been a statutory transfer of responsibility for the regulatory functions for the energy sector from the government to the Commission for Energy Regulation – a statutory body that is required not to discriminate unfairly between participants in the sector, while protecting the end-user. In general, SOEs aspire to pay their own way, financing their operations and funding further expansion through profits generated from their own operations. Some pay an annual dividend to the government. The SOEs themselves are governed usually by a board of directors, often chosen by the government.

The National Treasury Management Agency (NTMA) is the asset management bureau of the Irish government. In good economic times, the NTMA invested Irish government funds such as the national pension funds in financial instruments worldwide. Day-to-day funding for government operations is normally through the sale of sovereign debt worldwide, which is the responsibility of the NTMA. Upon entering the EU/IMF Bailout program, Ireland was fully funded and so suspended issuing sovereign debt. Since summer 2012, Ireland has slowly started to re-enter the international funds markets as market confidence in Ireland's ability to repay its debt gathers momentum. The NTMA also has oversight of the National Asset Management Agency (NAMA), the agency charged with the disposal of bad bank debt.

All SOEs must present annual reports to the government.

Corporate Social Responsibility

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In Ireland, there is a growing awareness of corporate social responsibility, mainly driven by a number of independent organizations. According to "Business in the Community – Ireland", an organization at the forefront of promoting CSR in Ireland, many of the participant firms believe that corporate responsibility can play a major role in rebuilding Ireland's corporate reputation. Companies advertise their participation in such programs as the Fairtrade Certification Mark.

Political Violence Return to top

(I) Impact of Northern Ireland Instability

There was no significant spillover of violence from Northern Ireland in the 1970s and 1980s, or since the cease-fires of 1994. Indeed, the growth of business investment and confidence in Northern Ireland following the cessation of widespread violence has also benefited the Republic of Ireland. The 2007-2013 National Development Plan earmarks funding to develop cross-border cooperation on R&D collaboration, energy and transportation infrastructure linkages, and joint trade missions. No violence related to the situation in Northern Ireland has been specifically directed at U.S. citizens or firms located in the South.

The 1998 ratification of the Good Friday Agreement by large majorities in both Ireland and Northern Ireland further diminished the potential for violence. Although some groups in both Northern Ireland and the Republic of Ireland who opposed the peace process have continued to commit infrequent acts of criminality, there have been no serious incidents in the south. In May 2007, the Northern Ireland Assembly was restored and local government resumed - a key milestone in the successful peace process in Northern Ireland that commenced with the Good Friday Agreement in 1998.

(II) Other Acts of Political Violence

There have been no recent incidents involving politically motivated damage to foreign investment projects and/or installations in Ireland. There have been two instances of damage to U.S. military assets transiting Shannon Airport in 2003 and 2011 by a small number of Irish citizens opposed to U.S. involvement in Iraq and Afghanistan. Nonetheless, these anti-military acts have not found expression in acts against U.S. firms or private interests in Ireland.

Corruption Return to top

Corruption is not a serious problem for foreign investors in Ireland. The principal Irish legislation relating to anti-bribery and corruption includes the Public Bodies Corrupt Practices Act 1889, the Prevention of Corruption Act 1906, the Prevention of Corruption Act 1916, and the Prevention of Corruption (Amendment) Act 2001. This body of law makes it illegal for Irish public servants to accept bribes. The Ethics in Public Office Act 1995 provides for the written annual disclosure of interests of people holding public office or employment.

The law on corruption in Ireland was strengthened following the enactment of the Prevention of Corruption (Amendment) Act, 2001, which gave effect in domestic law to the OECD Convention and two other conventions concerning criminal corruption and corruption involving officials of the European Communities and officials of EU member states. The legislation has ensured that there are strong penalties in place, of up to 10 years imprisonment and an unlimited fine, for those found guilty of offences under the Act, including convictions of bribery of foreign public officials by Irish nationals and companies. Ireland signed the UN Convention on Corruption in December 2003, and ratification is pending a review of the legal measures required for implementation.

The Irish police investigate allegations of corruption. If sufficient evidence of criminal activity is found, the Director of Public Prosecutions prepares a file for prosecution. A small number of public officials have been convicted of corruption and/or bribery in the past, although it is not a common occurrence. Two recent reports from Tribunals of Inquiry - Mahon and Moriarty- detailed corrupt practices by political and business figures in the 1970 to 1996 period.

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Antibribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA.

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html)

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.)

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department’s Advocacy Center and State’s Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center “Report A Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice’s (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department’s present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ’s Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.

- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://cpi.transparency.org/cpi2012/. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/index.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://data.worldbank.org/data-catalog/BEEPS.

- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/s?s=global+enabling+trade+report.

- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at http://www.state.gov/g/drl/rls/hrrpt/.

- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Bilateral Investment Agreements

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Ireland is a member of the EU and has taken the position that bilateral investment agreements are no longer useful. Ireland has comprehensive double taxation agreements in place with 68 countries of which 61 are in effect. The agreements generally cover corporate tax, income tax, and capital gains tax (direct taxes).

The current list of agreements in effect as of January 2013 is as follows: Albania, Armenia, Australia, Austria, Bahrain, Belarus, Belgium, Bosnia & Herzegovina, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hong Kong, Hungary, Iceland, India, Israel, Italy, Japan, Korea (Republic of), Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mexico, Moldova, Montenegro, Morocco, Netherlands, New Zealand, Norway, Pakistan, Poland, Portugal, Romania, Russia, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Turkey, United Arab Emirates, United Kingdom, United States, Vietnam and Zambia.

These agreements serve to promote trade and investment between Ireland and the partner countries that would otherwise be discouraged by the possibility of double taxation. In the absence of a bilateral tax treaty, provisions within the Irish Taxes Act allow unilateral credit relief against Irish tax for tax paid in the other country with respect to certain types of income, e.g., dividends and interest.

In December 2012, Ireland signed an agreement with the United States to improve international tax compliance and to implement the Foreign Account Tax Compliance Act (FATCA).

OPIC and Other Investment Insurance Programs

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Since 1986 the U.S. Overseas Private Investment Corporation (OPIC) has been authorized to operate in Ireland as part of the U.S. effort to support the process of peace and reconciliation in Northern Ireland. There is some potential in Ireland for OPIC's credit guarantee programs, such as aircraft purchases. No other countries have an investment insurance program in Ireland. Ireland is a member of the Multilateral Investment Guarantee Agency (MIGA).

The estimated annual U.S. dollar value of local currency likely to be used by the U.S. Embassy in Ireland during 2013 is approximately USD 17.7 million. The Embassy purchases local currency through centralized bulk purchasing arrangements at a competitive market rate. Eurozone economic conditions as well as U.S. trade and budget deficit positions will likely determine USD and euro currency movements through 2013.

Labor

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The total number of persons employed in September 2012 was 1.84 million, a decrease of 4,400 persons from September 2011. By the end of 2012, the unemployment rate in Ireland reached 14.8 percent. The collapse of the Irish construction industry since 2008 led to this sector being severely hit. Employment opportunities in the early part of this century attracted unprecedented inward migration levels, particularly from Eastern Europe. Following the downturn, many such economic migrants have left Ireland, either to return home or search for employment opportunities elsewhere.

Ireland has been an attractive destination for foreign investment due to its availability of a young, highly-educated young workforce. The removal of tuition fees for third-level education in 1995 resulted in a rapid growth in the number of individuals who hold third-level qualifications. The growing availability of highly educated and qualified potential employees has made Ireland an even more attractive place to do business. This has been a significant factor in attracting the large number of multinationals that have located operations in Ireland. Over 60 percent of new entrants to third level education in Ireland undertake business, engineering, computer science or science courses. To ensure that the availability of an educated workforce continues, the focus of government strategy has shifted to upgrading skills and increasing the number of workers in technology-intensive, high-value sectors.

Irish labor force regulation is less restrictive compared with most continental EU countries. The Irish workforce is characterized by a high degree of flexibility, mobility, and education. There is a relative gender balance in the workforce, with 986,100 males and 855,100 females employed as of September 2012. This gender balance reflects a change in social mores and government supports that have facilitated a surge in female employment since the mid-1980s.

While overall private sector wages rose marginally (by just one percent) in the year to September 2012, average industrial earnings per worker increased by 2.6 percent to 814 euro per week. The minimum wage rate is currently set at 7.65 euro per hour.
The Irish system of industrial relations is a voluntary one. Pay levels and conditions of employment are generally agreed through collective bargaining between employers and employees. Despite the economic downturn and austerity measures only five firms were involved in industrial disputes in 2012. The 2010 implementation of a government - public sector agreement on pay and conditions (known as the Croke Park Agreement) continues to ensure that there is no public service unrest or work stoppages.

Employers typically resist trade union demands for mandatory trade union recognition in the workplace. While the Irish constitution guarantees the right of citizens to form associations and unions, Irish law also affirms the right of employers not to recognize unions and to deal with employees on an individual basis. Currently, around one-third of all workers are unionized; however, there is much higher participation in unions by public sector workers. Among foreign-owned firms, roughly 80 percent of workers do not belong to unions, although pay and benefits are usually more attractive compared with domestic firms.

Foreign-Trade Zones/Free Ports

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The Shannon duty-free Processing Zone (SDFPZ) was established by legislation in 1957. Under the legislation, eligible companies operating in the Shannon Free Zone are entitled to the following benefits: goods imported from non-EU countries for storage, handling or processing are duty-free; no duty on goods exported from Shannon to non-EU countries; no time limit on disposal of goods held duty-free; minimum customs documentation and formalities; no Value Added Tax (VAT) on imported goods, including capital equipment; and a choice of having import duty on non-EU product calculated on its landing value or selling-out price. Qualifying criteria for eligible companies include employment creation and export-orientation.

Foreign-owned firms in the Shannon Free Zone have the same investment opportunities as indigenous Irish companies. There are over 100 companies operating within the 254 hectare business park, including the following U.S. companies: Benex (Becton Dickinson), Connor-Winfield, Digital River, Enterasys Networks, Extrude Hone, GE Capital Aviation Services, GE Money, GE Sensing, Genworth Financial, Hamilton Sundtrand (United Technologies), Intel, Illinois Tool Works, Kwik-Lok, Lawrence Laboratories (Bristol Myers Squibb), Le Bas International, Magellan Aviation Services, Maidenform, Melcut Cutting Tools (SGS Carbide Tools), Mentor Graphics, Molex, Phoenix American Financial Services, RSA Security, Shannon Engine Support (CFM International), SPS International/Hi-Life Tools (Precision Castparts Corp), Sykes Enterprises, Symantec , Travelsavers Corp, Viking Pump, Western Well Tool, Xerox, and Zimmer. The Shannon Free Zone is technically an asset of Shannon Development.

Duty-free exemptions are available also to companies operating in Ireland's major deep-water port at Ringaskiddy in County Cork, although these have been used infrequently in recent years.

Foreign Direct Investment Statistics

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According to Ireland's Central Statistics Office (CSO), the year-end stock of FDI in Ireland for 2011 fell to 195 billion euro, compared with 214 billion euro in 2010. (Note: direct comparison of Irish government and USG FDI statistics is not possible because the CSO and U.S. Commerce Department utilize different base figures.) The largest sector for inward investment was financial intermediation which at the end of 2011 amounted to 83 billion Euros or 43 percent of the total stock of inward investments.

During 2012, IDA Ireland negotiated 145 new business projects with new and existing clients involving investments in research, development and innovation. Sixty-six of these projects were new firms investing in Ireland for the first time. IDA-assisted firms created almost 6,600 new jobs in 2012 and now employ almost 153,000.

U.S. and foreign companies with major foreign direct investments in Ireland include Aramark, HP, SAP, Google, PayPal, eBay, AOL, Facebook, Kellogg’s, Eli Lilly, MSD, McAfee, Stream Global Services, ServiceSource, Salesforce.com, Accenture, Zurich, Axa, Citi, State Street, UnitedHealth Group, Allianz, Generali, Intel, Analog Devices, EMC, Abbott, Medtronic, Merck, Boston Scientific, Liebherr, Pfizer, IBM (Smarter Cities), United Technologies Research Centre (Renewable Energies), Alcatel-Lucent /Bell Labs, and Biotrin.

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IDA Ireland (Industrial Development Agency)

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Chapter 7: Trade and Project Financing

How Do I Get Paid (Methods of Payment)

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Standard methods of payment are available for export sales to Ireland through a well-developed banking sector. Competition, to a large degree, has required the use of liberal financing, as opposed to requiring payment on a letter of credit or cash basis. Letters of credit can be used initially for new accounts with more liberal terms granted if justified by volume and customer reliability. Knowledge of industry practice and the customer is generally the prime consideration in deciding whether to use sight drafts, time drafts, or open accounts. Usual terms of sale are payment within 30 to 90 days after delivery, varying with the commodity and the credit standing of the purchaser. The accepted and examined credit ratings throughout the world are generated by three main agencies—Standard & Poor's, Moody's, and Fitch Ratings. Major Irish banks can facilitate EximBank programs in Ireland.

How Does the Banking System Operate

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The Irish financial system has experienced a series of changes over the past decade. New legislation has been introduced to allow more competition between different types of financial services organizations. Consequently, a very sophisticated banking environment exists which offers many sources of financing to organizations doing business in Ireland. The banking system operates on a basis similar to that in the UK, mainly due to the physical proximity of the two countries and the high volume of mutual trade. In broad terms, the sources of financing can be classified into two groups: a) financing and financial services available directly from banks, building societies, and other financial institutions, and b) financing available through financial markets, such as the Irish Stock Exchange (ISE).

The role of the Central Bank of Ireland traditionally has been similar to that of central banks in other developed countries. Established under the Central Bank Act of 1942, the Central Bank manages the country's banking and monetary system and controls credit. In addition, it acts as adviser and banker to the Irish government. Its primary objective since 1998, in discharging its function as part of the European System of Central Banks, has been to maintain price stability across the Euro-zone. In April 2002, the Central Bank became a financial regulator, through two autonomous subsidiaries. First, the Irish Monetary Authority handles monetary policy and serves as the Irish arm of the European Central Bank (ECB). Second, the Irish Financial Services Regulatory Authority supervises Irish financial institutions and handles regulation of the insurance industry, as well as consumer protection issues within the financial sector.

In Ireland there are several forms of banking institutions. First, commercial banks are classified as “licensed banks” and “state sponsored banks,” and these provide all general banking services, including comprehensive current account services. Second, licensed banks are subsidiaries and affiliates of the main clearing banks, and tend to concentrate on specific types of banking business: examples include wholesale and corporate banking, installment credit and leasing, capital market activities and, particularly for banks in the International Financial Services Center (IFSC), international and investment banking. Third, state owned financial institutions provide a broad range of retail and business banking services, with a particular emphasis on the agricultural sector – ACC Bank is the sole bank of this sort – though the financial crisis meant that Anglo-Irish Bank was nationalized as well. Fourth, building societies are mutual organizations with ownership vested in shareholders that have deposits in investment and savings share accounts, and along with the clearing banks, they are the principal institutions providing finance for house purchase.

The unprecedented crisis of 2008-2009 resulted in new regulatory measures and government-led supports for the banking sector. The creation of a National Asset Management Agency (NAMA) supported the banking industry and took on property loans after severely deflated asset prices of the recent recession.

Foreign-Exchange Controls

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Ireland is a member of the European Union (EU) and the European Monetary System (EMS). Therefore, commercial transactions and payment terms reflect common Western practices. Primary import payment considerations are determined by the financial reputation of an individual customer combined with competitive considerations. There are no commercial foreign-exchange limitations or unusual regulations. Additionally, there are no restrictions on inward investment, foreign trading, or the repatriation of capital and profits of American firms based in Ireland.

The Irish importer can easily arrange import financing through a local branch bank manager. Experienced importers respect overseas vendor’s payment terms. The domestic market operates quite differently, with trade customers taking cash discounts and paying up to 90 or even 180 days after delivery. Occasionally, new importers attempt to apply domestic practices to the international market place.

U.S. Banks and Local Correspondent Banks

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For a list of financial service providers see www.buyusa.gov/ireland or other current listings about Ireland on the internet.

Project Financing

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There are no restrictions on investments by foreign companies in new projects and existing entities in Ireland, nor are restrictions imposed on the repatriation of capital and profits by foreign firms. International firms investing in Ireland can take advantage of investment incentives provided by the Irish government through IDA Ireland, the state organization responsible for attracting international investment into Ireland. These incentives include:

- A 12.5% corporate tax rate for qualifying industries
- Capital investment
- R & D and training grants and tax credits
- Rent subsidy for industries in certain regions
- Assistance with site location.

The range of incentives are available to manufacturing companies and providers of international tradable services such as computer software, telemarketing, and financial services.

The Government of Ireland recently established the National Development Finance Agency (NDFA) to help provide cost effective financing for public sector investment projects, including public and private partnerships with multinational firms. State authorities are obliged to seek advice on financing public projects from the NDFA, which will assess financial and structuring, and will in certain circumstances be able to raise funds for public projects. The NDFA has the power to set up special purpose companies for the purpose of financing projects.

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Export-Import Bank of the United States: http://www.exim.gov

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: http://www.opic.gov

Trade and Development Agency: http://www.tda.gov/

SBA's Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm

U.S. Agency for International Development: http://www.usaid.gov

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Chapter 8: Business Travel

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Given the close economic, political, and cultural relations that exist between Ireland and the United States, business opportunities for U.S. companies are broad based and the transactions are easily accomplished. In general, Irish business executives are less formal than their European counterparts and the use of first names at an early stage of a business relationship is acceptable. Friendship and mutual trust are highly valued and once an American has earned this trust, a productive working relationship can usually be expected. However, principles of customary business courtesy, especially replying promptly to sales orders and requests for price quotations, are a prerequisite for success and should be practiced.

Conservative business attire is recommended for business meetings and functions. Suits, rather than blazers and slacks, are the norm. Business appointments are also required and visitors are expected to be punctual. Because of the moderating influence of warm ocean currents, medium-weight clothing may be worn most of the year. A travel umbrella, rainwear, hat, and sturdy walking shoes should also be included in the wardrobe since there is occasional light rain ("liquid sunshine") and many "soft" days.

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The State Department's Country Specific Information for Ireland can be found at: http://travel.state.gov/travel/cis_pa_tw/cis/cis_1145.html.

Safety and Security
Ireland remains largely free of terrorist incidents. While the 1998 ceasefire in Northern Ireland is holding, there have been incidents of violence in Northern Ireland associated with paramilitary organizations. These have the potential for some spillover into Ireland. Travelers to Northern Ireland should consult the Country Specific Information for the United Kingdom and Gibraltar.

Please be reminded that even demonstrations and protests intended to be peaceful can turn confrontational and possibly escalate into violence. You should avoid the areas of such gatherings if possible, and be careful within the vicinity of any demonstrations. You should stay current with media coverage of local events and be aware of your surroundings at all times. For the latest security information, Americans traveling abroad should regularly monitor the Department of State, Bureau of Consular Affairs' website at http://travel.state.gov, where the current Travel Warnings and Travel Alerts, as well as the Worldwide Caution can be found.

Up-to-date information on safety and security can also be obtained by calling 1-888-407-4747 toll free in the United States and Canada, or for callers outside the United States and Canada, a regular toll line at 1-202-501-4444. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays).

The Department of State urges American citizens to take responsibility for their own personal security while traveling overseas. For general information about appropriate measures travelers can take to protect themselves in an overseas environment, see the Department of State's A Safe Trip Abroad.

Crime

Ireland has a relatively low rate of violent crime. Petty crime and residential crime is much more common, especially in urban and tourist areas. Rates for residential break-ins, theft, burglary, and purse-snatching have all risen in recent years and thieves often target rental cars and tourists, particularly in the vicinity of tourist attractions. In rare cases, these crimes have involved physical assault or violence, more commonly in Dublin. Avoid parks after dark and avoid showing signs of affluence in addition to guarding your valuables, passport and wallet. We recommend you leave your passport in a secure location separate from your purse or luggage. Do not leave your drinks unattended at bars or restaurants, as there have been reported incidents of drinks being spiked with illegal substances, leading to robbery and sexual assaults. Please practice sound personal security practices and maintain an awareness of your surroundings during your stay in Ireland.

Crimes involving credit and debit cards and automated teller machines (ATMs) are also a concern. Travelers should protect their PIN numbers at all times and avoid using ATM machines that appear to have been tampered with. There has been an increase in Ireland of the use of "skimmers" on ATM machines, especially in tourist areas. Skimmers are usually small electronic devices that are attached to the outside of an ATM machine in order to "skim" the ATM or credit card data for later criminal use. Most ATMs in Ireland now have electronic warnings about their use and advise customers to look closely at the ATM before using it.

Visa Requirements Return to top

Every U.S. traveler must have a valid U.S. passport.

Entry into Ireland is subject to Irish Immigration. U.S. citizens who wish to enter Ireland must ensure they provide all documentation relating to the purpose of his/her trip to Ireland to the Irish Immigration official at the point of entry.

For those wishing to enter Ireland as a visitor, Irish Immigration may grant a stay of up to three months; however, they may grant a lesser period than three months depending on the documentation provided. Those individuals wishing to remain in Ireland for longer than three months should contact the Garda National Immigration Bureau, Tel: +353-1-666-9100 for guidance.

An American citizen entering Ireland and wishing to establish permanent residence must register with the Garda National Immigration Bureau as soon as possible after entering the country.

U.S. citizens planning to work in Ireland must first obtain a work permit; they are issued by the Department of Jobs, Enterprise and Innovation prior to traveling to Ireland. Once the permit is issued it is presented to the Immigration officials upon arrival into the country. For further guidance please visit the work permits section. U.S. companies that require travel of Irish businesspersons to the U.S. should allow sufficient time for visa issuance if required.

See also:

Irish Employment Law

U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website
U.S. Embassy Dublin Visa Unit
Smart Traveler Enrollment Program (STEP)

The Department of State encourages U.S. citizens living overseas or planning to travel abroad to enroll in the Smart Traveler Enrollment Program (STEP). Once enrolled, the U.S. Embassy/Consulate can keep the individual up to date with important safety and security announcements. Enrolling will also make it easier for the Embassy to contact the individual in the event of an emergency.

Telecommunications

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Through the ease of telecommunications, e-mails and international calls are frequently the best method of arranging appointments and maintaining solid commercial relations. The time zone for Ireland is Greenwich Mean Time (GMT) or 5 hours ahead of the U.S. Eastern Standard Time (EST + 5 hours).

- Cell phones are widely used in Ireland as there are approximately 4.4 million cell phone subscribers (equating to over 100% market coverage). Tri-band cell phones can be used to place calls to the United States and other countries from Ireland.

- Ireland has a relatively sophisticated digital telecommunications system, which includes a direct dialing telephone service connecting every part of Ireland with over 90% of the rest of the world.

- A wide range of business services including point-to-multipoint data transmission, computer-to-computer file transfer networking, text messaging, fax, telex, and video communications are available.

- U.S. calling cards such as AT&T and Sprint may be used locally for making international calls. Phone cards for local and international calling are widely available in local shops and vending machines.

- Internet access is also widely available through Internet cafes, Wi-Fi locations, and hotels. Electricity in Ireland (220 volts, 50 cycles) is not compatible with U.S. voltage unless you have a converter or transformer and an Irish three-pronged plug.

Transportation Return to top

Ireland has four international airports (Dublin, Shannon, Cork, and Knock). American Airlines, Delta Air Lines, US Airways, and United Airlines operate scheduled air services between Ireland and the United States. In addition, Irish air carrier Aer Lingus, which operates a number of direct services to U.S. destinations, has a codeshare agreement with JetBlue and United Airlines. Irish travelers also frequently utilize UK and other European hubs, which have numerous daily connections to the U.S.

While Ireland has more paved road on a per capita basis than any other country in the EU, it lacks an efficient network of highways. Travel times take longer than expected at first glance, though the opening of “motorways” (expressways) from Dublin to major cities is improving travel time on many routes. Ninety-six percent of all inland passenger transport and over ninety percent of inland freight transport are conveyed by road. The balance is carried by rail. A 3,000-kilometer rail system provides passenger and freight services to most cities and main towns, including those in Northern Ireland.

Rental automobiles are available at numerous locations across Ireland, but rates are usually more expensive than in the U.S. and other parts of Europe. Better rental rates may be secured by booking reservations in the U.S. through one of the U.S. car rental agencies with fleets in Ireland. An international or state driving license is acceptable.

A few notes of caution: rental cars offer a target for petty thieves in Ireland and visitors should take care not to leave belongings visible in cars parked at common tourist destinations. Cars in Ireland are “right-hand drive,” traffic moves on and from the left-hand side of the road, like in the United Kingdom, and traffic circle “roundabouts” are frequent in most towns and cities. Also, in relative terms, J-walking is a very common practice for pedestrians in Ireland. Drivers should use caution; pedestrians, including children, often cross against lights or in the middle of roads. Pubs in Ireland, particularly in Dublin, stay open late and pedestrian traffic can be heavy throughout the night. It may take the visitor some time to adjust to these differences. Most auto accidents for visitors to Ireland happen shortly after departure from the rental car facilities. As car navigation systems become more widely available, rental cars are becoming a viable means for business travel. For specific information concerning Irish driving permits, vehicle inspection, road tax and mandatory insurance, please visit Tourism Ireland.

Taxis in Ireland are reasonably priced but availability varies with time of day and where you are in the country. Intercity bus service is reliable and efficient due to "bus lanes" during high traffic periods.

Language Return to top

There are two official languages in Ireland – Irish and English. While English is used predominantly, the Irish language, Gaelic, can be heard in the western part of the country and found on signage around the country. English is used for business contracts and correspondence, however, some expressions and terms may have different meanings from those in the United States. To assure complete understanding, it is important to define unfamiliar terms. Reference to Incoterms, the international set of rules for commercial terms, helps to reduce possible misunderstandings.

Health Return to top

Medical services are very good at major hospitals and generally comparable with those in the United States. However, there are sometimes not enough available beds to service needs. Private clinics can be found in major cities. Common medical needs are readily obtained, and special supplies are normally available on short notice. An international certificate of vaccination is not required for travelers from the United States. Drinking water is excellent, most pharmaceuticals are available, and sanitation is up to American standards.

Local Time, Business Hours, and Holidays Return to top

A 37.5-hour, 5-day workweek is the norm for offices and factories in Ireland. Customary office working hours are from 9:00 a.m. to 5:30 p.m., with lunch from 1:00 p.m. to 2:00 p.m. Banking hours are from 10:00 to 4:00 p.m. Most retail stores are open from 9:00 a.m. to 6:00 p.m., Monday through Saturday, and 12:00 p.m. (noon) to 6:00 p.m., Sundays and Public Holidays. Many malls/outlets also have later hours on week days to permit evening shopping.

The following is a listing of the official statutory public holidays in Ireland when most commercial offices are closed. Certain other days are celebrated as holidays within local jurisdictions. If New Year's Day, Saint Patrick's Day, Christmas Day, or Saint Stephen's Day fall on a weekend, the following Monday is a public holiday.

<u>National Holidays</u>

New Year's Day (Bank Holiday): January 1, 2013
Saint Patrick's Day: March 17, 2013
Good Friday: March 29, 2013
Easter Monday (Bank Holiday): April 1, 2013
Spring May Bank Holiday: May 6, 2013
June Bank Holiday: June 3, 2013
Summer Bank Holiday: August 5, 2013
October Bank Holiday: October 28, 2013
Christmas Day: December 25, 2013
Saint Stephen's Day: December 26, 2013

During vacation seasons many Irish business executives may not be available except by appointment, especially in July and August. Also, appointments may be difficult to schedule on Friday afternoons during the summer months, when extended weekends are often taken. Most businesses are closed from December 24 through January 2 during the Christmas season.

Temporary Entry of Materials and Personal Belongings Return to top

Simplified procedures are available to traveling U.S. business and professional people for the temporary importation of commercial samples and professional equipment for display or demonstration though the use of a "carnet." A carnet is a customs document, obtained prior to departure, which facilitates customs clearance for temporary imports. With the carnet, goods may be imported without the payment of duty, tax, or additional security. A carnet is usually valid for one year from the date of issuance. A bond or cash deposit of 40% of the value of the goods covered by the carnet is also required. This will be forfeited in the event the products are not re-exported and duties and taxes are not paid. Carnets can be obtained from the U.S. Council for International Business.

Other Useful Information Return to top

- Tipping is as appropriate in Ireland as it is in the United States. Generally, for cab drivers and waiters, 10% is the norm.

- Many restaurants add an automatic 10% service charge to the bill, which may be supplemented at the diner's discretion.

- Porters and bellhops can receive up to one euro per piece of luggage.

- On January 1, 2002, the euro was officially introduced into circulation in the European Union countries, including Ireland, which are part of the European Monetary Union (EMU). Denmark, Sweden and the United Kingdom (including Northern Ireland) are members of the EU, but not the EMU, and therefore do not have the euro as their official currency. Northern Ireland uses the pound sterling.

- U.S. credit cards are widely accepted, though vendors may require additional identification, such as a passport. Travelers' checks are usually accepted, but visitors should inquire about the policy of the bank, hotel, or store before seeking to cash a personal check.

- Irish banks may not accept $100 bills for currency exchange. Business travelers should consider bringing cash in denominations of $20 or less for currency exchange.

- Most Irish banks are affiliated to payment facilities networks such as 'Plus,' 'Cirrus,' and 'Maestro' and readily dispense cash in Euros through their ATMs. This provides one of the most convenient ways to obtain cash, although bank transaction fees apply.

- For currency or other numerical quantities, a comma is commonly used to mark off the thousands position and a decimal point (period) to denote decimal amounts -- the same practice as followed in the United States; for example €1,234,456.78. Dates are written in the sequence of day, month, and year. For example, the date March 17, 2006, is found in written correspondence as 17 March 2006 or 17.3.2006.

- The electric current in Ireland is alternating current, 50 cycle, 220 volts. American appliances, such as electric shavers or hair dryers, do not work and will be damaged if used without a converter and adaptor plug—readily available for purchase in airport transit lounges.

Web Resources

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U.S. State Department Visa Website

The State Department's Country Specific Information for Ireland

U.S. Embassy Website

U.S. Commercial Service

U.S. Commercial Service – Ireland

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Chapter 9: Contacts, Market Research and Trade Events

- Contacts
- Market Research
- Trade Events

Contacts

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Organization:	U.S. Embassy, Commercial Section
Contact Name:	Acting Head of Section
Address:	U.S. Embassy, 42 Elgin Road, Ballsbridge, Dublin 4.
Phone:	+353-1-237-5850
Fax:	+353-1-667-4754
E-mail:	office.dublin@trade.gov
Website:	http://www.export.gov/ireland

Organization:	U.S. Embassy, Dublin
Contact Name:	Ambassador
Address:	U.S. Embassy, 42 Elgin Road, Ballsbridge, Dublin 4.
Phone:	+353-1-630-6254
Fax:	+353-1-667-0056
Website:	http://dublin.usembassy.gov

Organization:	U.S. Embassy, Political & Economic Section
Contact Name:	Peter Glennon, Political Specialist Michael Hanley, Economics Specialist
Address:	U.S. Embassy, 42 Elgin Road, Ballsbridge, Dublin 4.
Phone:	+353-1-630-6262/630-6254
Fax:	+353-1-667-0056
Website:	http://dublin.usembassy.gov

Organization:	American Chamber of Commerce in Ireland
Contact Name:	Joanne Richardson, Chief Executive
Address:	6 Wilton Place, Dublin 2, Ireland
Phone:	+353-1-661-6201
Fax:	+353-1-661-6217
E-Mail:	info@amcham.ie

Organization:	IDA Ireland (Industrial Development Authority)
Contact Name:	Barry O'Leary, Chief Executive
Address:	Wilton Park House, Wilton Place, Dublin 2.
Phone:	+353-1-603-4000
Fax:	+353-1-603-4040
Website:	www.idaireland.com

Organization:	Enterprise Ireland
Contact Name:	Frank Ryan, Chief Executive

Address:	The Plaza, East Point Business Park, Dublin 3
Phone:	+353-1-727-2000
Fax:	+353-1-727-2071
Website:	www.enterprise-ireland.com

Organization:	Chambers Ireland
Contact Name:	Mr. Ian Talbot, Chief Executive
Address:	17 Merrion Square, Dublin 2.
Phone:	+353-1-661-2888
Fax:	+353-1-661-2811
Website:	www.chambers.ie

Organization:	Dublin Chamber of Commerce
Contact Name:	Ms. Gina Quinn, Chief Executive
Address:	7 Clare Street, Dublin 2.
Phone:	+353-1-644-7200
Fax:	+353-1-676-6043
Website:	www.dublinchamber.ie

Organization:	Cork Chamber of Commerce
Contact Name:	Mr. Conor Healy, Chief Executive
Address:	Fitzgerald House, Summerhill North, Cork.
Phone:	+353-21-450-9044
Fax:	+353-21-450-8568
Website:	www.corkchamber.ie

Organization:	Galway Chamber of Commerce
Contact Name:	Mr. Michael Coyle, Chief Executive Officer
Address:	Commerce House, Merchants Road, Galway.
Phone:	+353-91-563536
Fax:	+353-91-561963
Website:	www.galwaychamber.com

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/mrktresearch/index.asp and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

http://export.gov/ireland/tradeshows-u.s.european/index.asp

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to prepare U.S. companies to export successfully, connect them with trade opportunities and support them once they do have exporting opportunities.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov.

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (http://export.gov/ireland/servicesforu.s.companies/index.asp)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E).**

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