



HUMAN RIGHTS

MOVEMENT OF GOODS,
CAPITAL, SERVICES, PEOPLE

DEMOCRACY

HUMAN DIGNITY

FREEDOM

RULE OF LAW

EQUALITY

Budget 2023
Submission

Empowering Ireland

- at the Heart of the
Transatlantic Economy

50 years in the EU, Promoting Business
and Supporting People

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AMERICAN
CHAMBER of COMMERCE
IRELAND

Executive Summary of Recommendations

Promoting Business

- + Outline a roadmap for fiscal sustainability, including a 5-year plan to reduce the public debt burden to sustainable levels
- + A commitment not to increase the taxation burden on job creation and retention
- + The protection and enhancement of competitive personal tax policies designed to attract key in-demand individuals to encourage talent to move to Ireland
- + A review of the taxation regime to modernise and simplify Ireland's tax code to reduce the administrative burden on business
- + Increased development of renewable energy sources, particularly focused on the potential of offshore wind, wave, solar, and green hydrogen
- + Provide a comprehensive roadmap outlining how Ireland will meet its climate goals, while providing energy security
- + Urgently invest in the on-going updating of the energy grid to provide sufficient capacity levels to cater for current and future power needs
- + Reform of the judicial review processes as they relate to planning applications to provide certainty of timeframe
- + Prioritise the delivery of balanced air connectivity to support Ireland's regional airports
- + Acceleration of the rollout of the National Broadband Plan
- + Provide increased supports to companies to develop and adopt advanced supply chain technology to ensure resilient, agile and efficient supply chains
- + Assess the competitiveness of sustainable investment and green finance in Ireland
- + Provide supports and guidance for business in preparing for, and meeting their sustainability reporting requirements
- + Increase funding for the RD&I sector and develop a three-year plan to bring Irish spending up from 1.2% of GDP to be in line with the average EU expenditure of 2.3%
- + That future reshaping of Government portfolios reflects the importance of data, digital and cyber to the Irish economy
- + The implementation of a public-cloud first policy for public sector bodies
- + Continue to increase investment and resourcing for the National Cyber Security Centre
- + Invest in ensuring the necessary cyber protection is in place for vital national infrastructure, including the energy grid, to protect from any potential cyber-threats





Supporting People

- + Building on data from Census 2022, examine trends in demographics and population growth to provide adequate places in childcare and education for current and future requirements
- + Ensuring adequate sustainable public transport options are in place with the further integration of the various transport systems in urban centres
- + The development and rollout of a global #WhyIreland campaign focused on advertising Ireland, and its regions, to international talent as a destination of choice to live and work
- + Develop a high-level taskforce to examine actions undertaken in international markets to address the housing crisis and identify best practices to support the delivery of accommodation in the Irish market
- + Bolster the focus on STEM topics in primary and secondary education
- + Focus on promoting career opportunities in logistics and supply chain management to second-level students to address the skills needs of the sector
- + Prioritise the continued development of digital skills, and life-long learning, to support the needs of an increasingly digitalised society and workplace
- + Provide resources and investment for the speedy completion of the digitalisation of ISD and the Employment Permits Unit's service
- + Advancement of the reduction of the personal taxation burden by outlining a roadmap for the indexation of taxation bands and thresholds
- + Engagement with the UK in the context of international protocols and agreements to support business and talent in the border region to ensure talent in hybrid or remote working arrangements between Ireland and Northern Ireland are not adversely impacted by the triggering of tax obligations in both jurisdictions
- + A one-year all-of-Government and all agency campaign to support new arrivals to Ireland with intensive English language courses and assistance in identifying opportunities related to their skillset
- + The development of a Global Future of Work Centre of Excellence in Ireland

900

There are almost 900 US MNCs in Ireland.

190,000

US MNCs employ 190,000 people directly and indirectly support a further 152,000 jobs in the Irish economy.

€28bn

US MNCs spend almost €28bn in the Irish economy each year (capital expenditure, payroll, goods and services).

Empowering Ireland

The President's Foreword



In 2023, Ireland will celebrate its 50th anniversary as a member of the European Union (EU). When Ireland first applied to join the economic bloc, then Taoiseach Seán Lemass made a statement in Brussels saying:

"...we have a contribution to make to the accomplishment of the Community's design for a new European society and would wish to be given an opportunity of bringing our national qualities and potentialities to the service of this ideal in a spirit of loyal and constructive cooperation."

In the years since Ireland joined the EU, we have fulfilled our promise to bring our national qualities and potentialities to the economic bloc. Ireland serves as a bridge between the US and Europe and as a transatlantic gateway for US businesses in the EU.

In our 2023 Budget Submission, the American Chamber of Commerce Ireland (AmCham) sets out our recommendations for *'Empowering Ireland – At the Heart of the Transatlantic Economy'*. We outline the smart policy decisions needed to leverage our unique position as the only common law, English speaking gateway to the European Union for US companies.

The reimagined approach to tackling key challenges including addressing immediate inflation and cost of living challenges, while also keeping a focus on mid to longer term fiscal priorities, housing supply, the climate crisis, talent attraction, the planning process and broadening the tax base form the backdrop to our submission.

Ireland is now ranked as the third most competitive country in the euro area and is a top location of choice for Foreign Direct Investment (FDI), reaching the highest ever level of FDI employment in 2021. With the global battle for talent heating up even further, AmCham believes Ireland must maximise this opportunity to further enhance its research and development ecosystem and deepen its global reputation as a location of choice for talent and innovation.

With smart policy decisions that support people and support businesses, AmCham believes that Ireland can bolster its reputation as a great place to live and do business.

Catherine Duffy
President 2022
American Chamber of Commerce Ireland



Empowering Sustainable Public Finances



Following the Covid-19 pandemic, and given the impact of geopolitical events, AmCham notes that public debt is expected to be over €230 billion by the end of the year, according to the Government's Summer Economic Statement. This level of public debt would represent a debt of €47,000 per person in Ireland. As acknowledged by the Government, such a debt burden would be one of the highest in the world.

Ireland is facing this debt burden at a time where inflationary pressures are impacting individuals, families and businesses within the country, across Europe, and globally. Tackling the rising cost-of-living must be a priority in supporting people and ensuring Ireland remains a destination of choice for talent.

AmCham recognises that Government has announced €2.4 billion in supports to assist with the increasing cost of living and has committed to Budget 2023 building on this to assist families with rising costs.

People will make choices as to where they wish to live based on a myriad of factors, and among the top considerations will be cost of living and quality of life. These decisions will be informed where they can afford a decent home, and can access affordable childcare, healthcare, and education. Ireland currently ranks second in the world for quality of life according to the UN Human Development Index. However, Ireland must ensure the provision of these key elements that make up a decent quality of life are funded sustainably.

It is also essential that Ireland's international cost competitiveness as a place to do business is a core consideration for Government. **In a recent survey of AmCham members, 100% of respondents believe that Ireland's cost competitiveness is important to maintaining FDI employment in Ireland.**

In a changing global economy, with inflationary pressures and geopolitical instability, ensuring public finances are sustainable is of paramount importance. This will be essential in having the ability to adequately address any future economic shocks which may occur, without risking the provision of core services and the development of vital infrastructure projects.

AmCham recommends:

- + That Government outline a roadmap for fiscal sustainability, including a 5-year plan to reduce the public debt burden to sustainable levels

Empowering Housing Provision



AmCham members consistently identify housing as the number one challenge to their future growth in Ireland.

Accommodation is an important economic enabler, and while Ireland is not unique in facing a housing crisis, the availability of accommodation is linked to Ireland's overall attractiveness as a location for talent and business.

Through the delivery of housing commitments, and the continued prioritisation of planning and capital investment in accommodation provision, the opportunity exists for Ireland to remain a destination of choice for people, and for FDI.

Enabling the delivery of housing in both our cities and our regions must be a core priority for Government in Budget 2023, alongside removing any impediments to delivery. AmCham acknowledges the commitments from Government within the *'Housing for All'* plan and the Quarter 2 progress report which outlines that the plan is on-track to deliver on the 2022 target of providing 24,600 new homes.

In Budget 2023 AmCham recommends:

- + The development of a high-level taskforce to examine actions undertaken in international markets to address the housing crisis, and identify best practices to support the delivery of accommodation in the Irish market
- + A continued focus on enabling the on-time delivery of commitments under the Housing for All plan
- + Ensuring the necessary levels of funding and resourcing are in place in the Land Development Agency and the Office of Public Procurement to support the delivery of housing commitments
- + Building on initiatives, including the Croí Cónaithe (Towns) Fund, ensure a continued focus on bringing vacant properties back to life to assist in addressing the housing crisis, and to reinvigorate urban centres and towns





Empowering Ireland's communities

In supporting the delivery of housing in Ireland, and in ensuring Ireland remains an attractive location in which to live and work, it is important to deliver the necessary community infrastructure which supports individuals, families, and the modern working environment. This is of particular importance with hybrid and remote working likely to remain commonplace into the future.

In ensuring the attractiveness of our communities for families to live in, and for encouraging business growth, the affordability and availability of ancillary services is essential. Communities must have affordable access to the supports necessary to allow people, particularly women, to realise their potential and develop their careers.

AmCham recommends:

- + Building on data from Census 2022, examine trends in demographics and population growth to provide adequate places in childcare and education for current and future requirements
- + Ensuring adequate sustainable public transport options are in place with the further integration of the various transport systems in urban centres. Such integration should include micro mobility solutions, particularly with this being done in a manner which works to better facilitate the first, and last, mile of a commuter's journey

Key Statistics

In 2021 the OECD reported, that over a six-year period, **1 out of 4 multinational employees in Ireland moved** to work for either an existing Irish company or set up a new one.

Each year, US companies in Ireland contribute **over 600,000 work supported volunteer hours** to over 7,300 community projects nationwide, 70% of which is education and skills related.

Supporting, Attracting & Retaining Talent to Empower Ireland's Future



Talent attraction and retention are essential to maintaining Ireland's competitiveness as a location for FDI. **This is reflected through AmCham's recent survey of members where talent attraction was ranked as the second greatest challenge for future investment, while skills shortage was identified as the third.**

Talent is a cornerstone of the continued success of Ireland in attracting inward investment. While Ireland boasts internationally acclaimed high standards of education and quality graduates, it remains necessary to attract international talent to Ireland to support the development of cutting-edge teams. In that context, it is important to prioritise the continued marketing of Ireland on an international basis as a great place to both live and work.

Consideration of the future skills needs of business will be important in planning for the growth and future development of industry in Ireland. The on-going mapping of skills needs within Ireland must take account of the importance of apprenticeships, upskilling, and lifelong learning.

In supporting talent, AmCham recommends:

- + The development and rollout of a global #WhyIreland campaign focused on advertising Ireland, and its regions, to international talent as a destination of choice to live and work
- + Bolster the focus on STEM topics in primary and secondary education, enhancing the development of key skills for the future, including coding, mathematics, and the sciences
- + Focus on promoting career opportunities in logistics and supply chain management to second-level students to address the skills needs of the sector
- + Prioritise the continued development of digital skills, and life-long learning, to support the needs of an increasingly digitalised society and workplace
- + Enhance the incorporation of digital learning within secondary and tertiary education

Empowering these individuals to improve their English language skills and access the necessary tools to match their skillset with available opportunities will enable the utilisation of their skills.

AmCham recommends:

- + A one-year all-of-Government and all agency campaign to support new arrivals to Ireland with intensive English language courses and assistance in identifying opportunities related to their skillset





The development of a talent pipeline to meet the needs of industry on an ongoing basis into the future necessitates the close collaboration of the public and private sectors. The close connection between higher and further education institutions, industry actors, and decision-makers will form the bedrock of strategic decision making in respect of the future of Ireland's successful talent generation.

The development of a Global Future of Work Centre of Excellence in Ireland focusing on the future needs of industry would be beneficial in best planning for the workplace of the future, and ensuring talent is supported. Such a centre could bring together thought leaders from education and research, and industry, in addition to policymakers to further develop the overall talent ecosystem. This would further enhance and strengthen Ireland's attractiveness for inward investment into the future.

AmCham calls for:

- + The development of a Global Future of Work Centre of Excellence in Ireland

A visa and permit system to empower talent

Ensuring that talent relocating to Ireland receive the best first impression possible is vital in supporting Ireland's reputation as a great place to work. Ireland's visa and permit system often provides that first impression.

AmCham welcomes the progress which has been made in reducing the waiting time for employment permit applications and notes the provision of additional resources within the Department of Enterprise, Trade and Employment to tackle the delays applicants were experiencing.

AmCham is of the view that the visa and permit system could be greatly enhanced through greater digitalisation. **Rapid digitalisation would support those moving to Ireland, and their partners and families while also facilitating more streamlined access to the employment market in Ireland by international talent.**

AmCham calls for Budget 2023 to:

- + Provide resources and investment for the speedy completion of the digitalisation of ISD and the Employment Permits Unit's service

Personal Taxation in an Empowered Ireland



Ensuring Ireland is a 'location of choice' for talent is key to Ireland's continued competitiveness on the international stage. Talent, today, is more mobile internationally than at any previous point in history. As such, making sure Ireland is an attractive location for them to live in is of the utmost importance, and personal taxation is a significant factor in this regard.

A reduction of the personal taxation burden would act to strengthen Ireland's ability to attract and retain talent, and subsequently, further encourage greater inward investment into Ireland. Additionally, it would assist in addressing the cost-of-living and would further enhance Ireland's reputation for having a highly skilled, well-educated and internationalised workforce, given that it would benefit Ireland's attractiveness overall. Furthermore, boosting the proportion of leadership and global positions based in Ireland ensures that those leaders build teams within Ireland, supporting the creation of jobs across all levels of companies, and in communities throughout the country.

AmCham recommends:

- + A commitment by Government not to increase the taxation burden on job creation and retention
- + Advancement of the reduction of the personal taxation burden by outlining a roadmap for the indexation of taxation bands and thresholds
- + The protection and enhancement of competitive personal tax policies designed to attract key in-demand individuals to encourage talent to move to Ireland
- + Engagement with the UK in the context of international protocols and agreements to support business and talent in the border region to ensure talent in hybrid or remote working arrangements between Ireland and Northern Ireland are not adversely impacted by the triggering of tax obligations in both jurisdictions

A Taxation regime fit for an empowered future

AmCham notes that currently ten multinationals account for over half of Ireland's corporate tax receipts and €1 out of every €8 tax collected in total and multinationals count for one third of income tax receipts. While some may see this as a vulnerability, AmCham believes that the broadening of the tax base in a manner which does not damage Ireland's international competitiveness and ability to attract and retain jobs and investment in innovation, would remove that perception and protect FDI investment into the future.

Providing certainty and stability in relation to Ireland's tax regime is essential in ensuring Ireland remains an attractive location for investment into the future. The OECD agreement, if implemented, will deliver certainty on the minimum rate of taxation, provides stability for business in Ireland. AmCham is of the view that, as we prepare for the implementation of international tax changes, Ireland now has the opportunity to enhance its domestic offerings and modernise its tax code to ensure it is fit for purpose for 21st century business.

AmCham recommends:

- + A review of the taxation regime to modernise and simplify Ireland's tax code to reduce the administrative burden on business



Empowering Ireland's Energy



Ireland's ability to attract world class manufacturing facilities, and its reputation as a globally trusted location of excellence for data are part of our country's 'crown jewels'. Ensuring security of supply, cost and capacity in relation to energy is vital in protecting Ireland's strong reputation. Even a perception of instability in relation to energy infrastructure could undermine Ireland's appeal as an investment location.

Security of Ireland's energy supply, and capacity for current and future demands will have a direct impact on the ability of businesses to grow and create jobs in communities throughout the country. **With urgent action to address energy needs, provide certainty of supply, and protect Ireland's strong reputation, the opportunity exists to protect current investment and ensure future investment is not diverted to competitor countries.**

Furthermore, ensuring sufficient capacity, storage, and redundancies exist within our energy grid will support Ireland's transition to a carbon neutral economy, and is pivotal in achieving our climate goals.

As we look to Ireland's energy needs, AmCham recommends:

- + In alignment with the EU taxonomy, and given Ireland's energy needs, examine the use of transitional power supplies, including gas, where the infrastructure has the potential to pivot to cater for green hydrogen into the future
- + Provide a comprehensive roadmap outlining how Ireland will meet its climate goals, while providing energy security, and further outline where redundancies will be provided within the energy system to ensure back-up capacity
- + Urgently invest in the on-going updating of the energy grid to provide sufficient capacity levels to cater for current and future power needs, providing security of supply for both current and future investment and growth
- + Increased development of renewable energy sources, particularly focused on the potential of offshore wind, wave, solar, and green hydrogen
- + Removal of regulatory barriers to provide greater ease for the interconnection of renewable sources to the energy grid
- + Assess future infrastructure projects with a focus to responsibly and sustainably decarbonise Ireland's energy sector

Planning for an Empowered Ireland



It is essential that the planning system can efficiently and effectively cater for Ireland's infrastructure needs. Certainty of timeframe for the completion of planning process would be greatly beneficial in the development of infrastructure and in supporting business growth and subsequent employment creation. **Delays and logjams in the planning process create a barrier for investment into Ireland, and for the delivery of vital infrastructure projects.** Action to address such delays is vital in order to ensure Ireland is a competitive location for FDI. In recent years, projects in competitor jurisdictions have received planning and completed construction in the timeframe it has taken for similar projects in Ireland to be granted planning permission. While the outcome of the planning process cannot, and should not, be predetermined, certainty of process and timeframe would support infrastructure development and enhance Ireland's attractiveness. This scale of confidence and investment of MNCs in Ireland is represented through the investment in some of the world's most advanced manufacturing facilities, through the contribution to the Exchequer of US MNCs, and through the over 352,000 jobs directly and indirectly related to US investment in Ireland. Ensuring Ireland has a planning system fit for the 21st century will support further such investment into the future.

AmCham looks forward to seeing the Attorney General's review of the Irish planning system and the subsequent recommendations. AmCham, in this context, recommends:

- + Reform of the judicial review processes as they relate to planning applications to provide certainty of timeframe
- + Following the review of the Irish planning system, take action to address planning delays and bottlenecks
- + The speedy implementation of the proposed new division of the High Court dealing with planning and environmental issues, which will be very welcome
- + Pooling of resources for planning authorities, and ensuring the necessary expertise is in place

Empowering Ireland's connectivity and supply chains

Given changing economic and geopolitical circumstances, ensuring supply chains are secure and protected is of vital importance. Following the impact of the pandemic, industry has shown great resilience and adaptability when faced with supply chain disruption. However, ensuring supply chains and international connectivity are secure should other such shocks or instability occur is essential.

AmCham recommends:

- + From the experiences of the Covid-19 pandemic, inform the protection of vital supply chain connections, particularly air connectivity, in the event of future shocks and on-going geopolitical stability
- + Provide increased supports to companies to develop and adopt advanced supply chain technology to ensure resilient, agile and efficient supply chains



Ensuring Ireland's Regions are Empowered



Supporting Ireland's regions is of the foremost importance in ensuring balanced regional development. 2021 saw 53% of all new foreign direct investments go to locations outside of Dublin. With balanced regional development, Ireland's regions can act as a viable counterweight to the pull of Dublin, ensuring that business and talent can build on the opportunities offered by Ireland's regional strengths. Following on from the Covid-19 pandemic, hybrid and remote working environments are likely to be commonplace into the future. **In supporting business and talent, the roll out of broadband connectivity, and faster internet speeds, will be crucial to ensure operations can be maintained, markets can be reached, and people can work effectively from home.**

Additionally, the development of key infrastructural projects, and actions to support connectivity and supply chains will be integral in supporting balanced regional development.

AmCham believes it is important that key ambitions of the National Development Plan are adhered to, including the following key transport projects:

- + **South/MidWest:** Completion of the M28 Cork and Dunkettle Interchange, delivery of the M20 between Cork and Limerick, implementation of the Cork Metropolitan Area Transport Strategy
- + **West:** Development of the Galway ring-road and a sustainable public transport solution for Galway with a particular focus on access to Parkmore Industrial Zone
- + **North-West:** Development of the A5 route between Derry and Dublin, to ensure regional and international connectivity

AmCham recommends:

- + Acceleration of the rollout of the National Broadband Plan to provide high-speed internet to rural, and urban blackspots
- + Prioritise the delivery of balanced air connectivity to support Ireland's regional airports, including Cork, Donegal, Kerry, Knock and Shannon
- + Building on the attractiveness of Ireland – AmCham advocates for a global campaign to showcase the attractiveness of Ireland's regions as a destination of choice for investment

Sustainability in an Empowered Ireland



The EU's target of 55% emission reductions by 2030, and the Government's commitment to transition to a carbon neutral economy by 2050 have the full support of AmCham and its members. **AmCham members are leading the adoption of sustainability and net-zero measures, and many are pursuing even more ambitious targets.**

The transition to a carbon neutral economy will affect how we live and work and will require an all-of-society approach. As such, the advancement of goals in infrastructure development and in renewable energy provision will be vital in ensuring Ireland remains an attractive location for inward investment. Additionally, ensuring our communities and cities are sustainable will be vital in continuing to attract talent to Ireland, and in subsequently attracting future FDI.

In advancing sustainability initiatives, AmCham believes it is essential that Ireland:

- + Provide a comprehensive and inclusive roadmap which outlines how all economic sectors will adapt to sustainability measures which contribute to lowering Ireland's emissions and meeting the ambitious targets set by Government, while also outlining how future economic growth will be achieved
- + Increase its development of renewable energy sources, particularly focused on the potential of offshore wind, wave, solar, and green hydrogen
- + Assess the competitiveness of sustainable investment and green finance in Ireland
- + Provide supports and guidance for business in preparing for, and meeting their sustainability reporting requirements
- + Provide support for SMEs in meeting their reporting requirements where this creates an additional administrative burden
- + Provide guidance in relation to green financial indicators in accordance with the EU taxonomy
- + Support the development and adoption of modern technology with greater capacity and large-scale storage
- + Provide measures and supports to further incentivise the advancement of on-site energy efficiency
- + Maintain and develop Ireland's pro-investment environment with the removal of administrative burdens to make Corporate Power Purchase Agreements (CPPAs) more attractive – lack of supply is a significant issue in relation to the expansion of CPPAs by AmCham members
- + Provide significant investment for the expansion of the charging network for electric vehicles – measures to support the use of electric vehicles should be aggressively pursued
- + Provide timelines for the roll out of hydrogen powered vehicles and additional alternative technologies



RD&I and Industry 4.0 to Strengthen an Empowered Ireland



The average spend by EU member states on RD&I investment was 2.3% of GDP in 2020, while Ireland's expenditure in RD&I was 1.2%. In order to create a stronger culture of RD&I in Ireland, action will be required to move towards a greater rate of investment in RD&I.

Greater investment in RD&I would enhance the overall ecosystem supporting innovation in Ireland. **Such investment would not only support the development of innovation, but would further support Ireland's education sector, allow for greater collaboration between MNCs and SMEs and encourage greater levels of indigenous innovation.** Furthermore, it will ensure Ireland is competitive in attracting inward investment in innovation.

Centres of excellence provide opportunities for Ireland to be at the cutting edge of advanced manufacturing, benefiting Ireland's overall attractiveness and competitiveness for future FDI. The intersection of research and industry supported through centres of excellence would advance progress in ensuring the competitive needs of industry are met. It is vital that there is continued engagement between industry, academia and Government to ensure innovation in manufacturing remains to the fore. The existence of leading global organisations in Ireland makes it a particularly advantageous prospect as global leaders in their respective fields can feed directly into the development of centres of excellence.

Investment and supports for RD&I and Industry 4.0 fields in Budget 2023 would also benefit Ireland in terms of talent attraction by ensuring Ireland is a destination of choice for global talent in research and innovation, while also attracting key educators to Ireland's tertiary education sector.

In Budget 2023, AmCham recommends action to:

- + Increase funding for the RD&I sector and develop a three-year plan to bring Irish spending up from 1.2% of GDP to be in line with the average EU expenditure of 2.3%
- + Publish a roadmap of the long-term funding strategy for Industry 4.0, with a focus on increased coordination and communication between research centres and industry
- + Develop a long-term strategic plan and provide resourcing to leverage existing centres of excellence and manufacturing expertise in Ireland to expand the centre of excellence footprint of Ireland



The Research and Development Tax Credit in an empowered Ireland

The R&D tax credit has been pivotal in encouraging many companies to consider Ireland as an investment location for research, development and innovation. **The R&D tax credit has provided the opportunity for Ireland to showcase the additional factors which make it a great location for FDI, including the highly skilled talent pool and the ease of doing business.** Without the R&D tax credit, it would be increasingly difficult to deliver this high-value investment for Ireland.

As the international tax landscape evolves, AmCham believes that the R&D tax credit will be pivotal in ensuring Ireland remains competitive on the global stage. In this regard, the impact of the R&D tax credit has been recognised internationally, with other jurisdictions introducing regimes in their domestic tax code which attempt to emulate the Irish R&D tax credit. As such, the R&D tax credit must remain adaptable and be reflective of the overall R&D environment in Ireland.

AmCham recommends:

- + Amending the Irish R&D tax credit regime to ensure it remains competitive and adaptable
- + Expanding the scope of qualifying fields for the R&D tax credit, to include artificial intelligence, data analytics, digitalisation, emerging technologies in the field of industry 4.0, and carbon neutrality to support the advancement of climate action

Key Statistics

1 out of every 3 US multinationals in Ireland have been here for **more than 20 years**.

53% of all FDI investment in Ireland went to **regional locations** last year (IDA).

Utilising Digitalisation to Empower Ireland



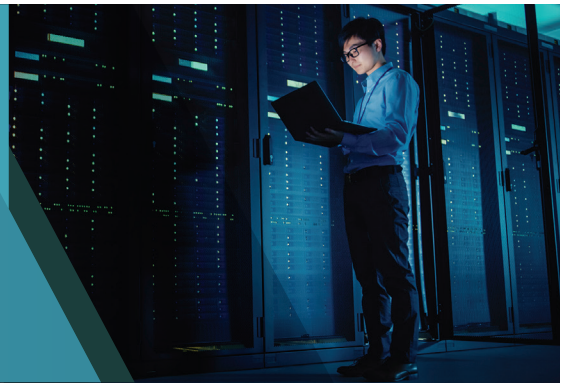
Digitalisation is an essential tool for the advancement of an Irish public service that prioritises efficiency and empowers both the service itself and the individual using it. The Irish population grew to exceed 5 million people in 2022 for the first time since 1841. As the population of Ireland continues to grow, investment in public services to meet the needs of that population will be critical. Undoubtedly, the solution to meeting those needs is the increased investment, on a cross-departmental basis, in an increasingly digitised public service. This would empower the individual utilising it and allow for greater effectiveness in the delivery of services.

Digitalisation is becoming ever more important in supporting talent, supporting business, and ensuring Ireland remains a competitive investment location. With an increasingly digitalised society, it is essential that measures to increase levels of digital literacy are to the fore. **Investment in digital skills will be beneficial in meeting the needs of a hybrid, and increasingly digitalised working environment.** This will also necessitate investment in crucial physical infrastructure, in particular, the National Broadband Plan, as mentioned earlier in this submission.

AmCham recommends:

- + That future reshaping of Government portfolios reflects the importance of data, digital and cyber to the Irish economy. AmCham welcomes the constant reshaping of Government portfolios, including the creation of the Department of Further and Higher Education, Research, Innovation and Science
- + The delivery of a long term, whole-of-Government strategy for the increased digitalisation of public services accompanied by an action plan with key milestone investments necessary to facilitate the strategy
- + A review of the current tendering and procurement processes across the public service to be inclusive of digital services tenders whereby yearly service provision cost may decrease over time following initial service delivery
- + The implementation of a public-cloud first policy requiring public sector bodies to first consider public cloud, before any other options, when upgrading or introducing a new service

Cyber Security to Protect an Empowered Ireland



Cybersecurity is a necessity in an increasingly digitalised world. With changing geopolitical circumstances, it is essential to be vigilant against cyber-attacks. In doing so, Ireland must ensure it is prepared to deter and withstand any potential attack. **Many of the world's largest companies have operations, and regional headquarters here. These companies require world-class protection and regulation.** Many have global teams, serving global markets, and these markets also require such security.

The importance of investment in cybersecurity is only going to continue to grow. As such, AmCham recommends that Budget 2023:

- + Continue to increase investment and resourcing for the National Cyber Security Centre. AmCham notes the Government's commitment to expand the headcount in the NCSC to 70 over the next 5 years. AmCham strongly recommends that this commitment is kept under constant review to keep pace with Ireland's cybersecurity needs particularly in the context of our strategic importance as a hub in the transatlantic digital economy
- + AmCham recommends further resourcing for the NCSC also take account of the need for expertise in backgrounds including psychology, geopolitics, and behavioural sciences
- + Continue to deepen and strengthen international relationships and collaborations with regard to cyber at governmental, agency and public body levels
- + Prioritise and resource cyber security within relevant public bodies, such as the Central Bank, the Data Protection Commission and the Commission for Communications Regulation
- + Invest in ensuring the necessary cyber protection is in place for vital national infrastructure, including the energy grid, to protect from any potential cyber-threats

Key Statistics

Ireland has been chosen as the **base for EU HQs or significant operations** by:

- + Nine of the top 10 US technology companies
- + Nine of the top 10 pharmaceutical companies
- + The top five global software companies
- + 14 of the top 15 medical technology companies
- + Eight of the top 10 industrial automation companies
- + 20 of the top 25 global financial services companies



About the American Chamber of Commerce (AmCham)

AmCham is the collective voice of US companies in Ireland and the leading international business organisation supporting the transatlantic business relationship. Our members are the Irish operations of all the major US companies in every sector present here, Irish companies with operations in the United States and organisations with close linkages to US-Ireland trade and investment. In many cases, the Ireland operations represent global HQ or EMEA hubs for certain aspects of their business.

Connecting with Purpose

Through our virtual/attended events, webinars, and roundtable discussions our networks support deep collaboration and peer-to-peer learning in a trusted environment. Through AmCham, our members get to have meaningful, value-creating interactions with their peers. We use best in class technology to ensure that our members can get a first-class networking experience.

Advocacy with Purpose

AmCham membership gives companies a powerful voice as part of what is recognised as one of the most influential business groups in the country. We are recognised as a trusted, credible and authoritative voice at the most senior level with Government and decision makers in Ireland, Brussels and Washington DC.

Leadership Development with Purpose

Our leadership development programmes support individual growth within our member companies. These highly sought-after programmes operate virtually and in-person.

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