



BUDGET 2024 SUBMISSION

# Building an Impactful Ireland

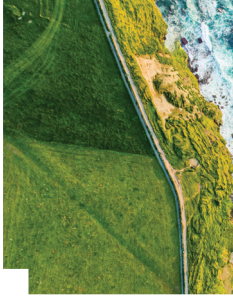
For 2050 and beyond



## Budget 2024 Submission

### AmCham's vision for Ireland in 2050 is that Ireland will be:

- Recognised globally as being able to effectively plan for its people and economy.
- So its people live healthy, safe and successful lives.
- And Ireland is competing globally at the highest level for future strategic inward investment.



# Executive Summary

## A Vision for the Ireland of 2050

In his address to the Houses of the Oireachtas on 13 April, President Biden said:

*“Our world stands at an inflection point, where the choices we make today will determine the course of the future history of this world for the next four to five decades, literally, not figuratively.”*

This is particularly true for Ireland – we stand at an inflection point, where we have the opportunity to make the decisions that will shape Ireland’s future as a destination for investment and for growth - we have the chance to make the decisions now which will positively shape our society, and our communities in the years and decades to come.

The American Chamber of Commerce Ireland (AmCham) supports the need for stability in public finances. We believe that this stability can be maintained while also making strategic, large-scale investments, as have happened in the past, so that Ireland can deliver for the needs of today and prepare for the opportunities of the future.

What might those future needs look like – both immediate and mid to long-term? Census 2022 has highlighted Ireland’s significant population growth, which is considerably more than had been previously predicted. Ireland now has a population of over 5.1 million people, 1 million of whom were not born in Ireland. This is the first time in over 170 years that our population has exceeded 5 million.

In the six years to April 2022, Ireland’s population increased by 387,000, or 8%. A further increase of 80,000 has since arisen due to the arrival of refugees fleeing the invasion of Ukraine. Over 2.6 million people are employed in Ireland – a record high. In 2019, U.S. multinationals employed 160,000 people in Ireland – today that number exceeds 210,000. This represents an increase of over 30% in four years.

It is not unreasonable to predict our population will grow to 8 million by 2050. Importantly, our population isn’t just growing – it is changing dramatically. The way we work, learn, interact and travel today is fundamentally different to ten years ago – some of this change is as a result of the pandemic – but not all and the change will continue. We are a more diverse society with a population that is aging faster than anywhere else in Europe.

This is why AmCham believes that Budget 2024 should demonstrate how Ireland will plan effectively to have the capacity to be a sustainable home to a population of 8 million people.

AmCham is calling for a step-change in how Ireland plans for the future, how we deliver sustainable and smart investment, including in infrastructure, across the width and breadth of the country. In preparing for a population of 8 million people by 2050, great opportunity now exists to re-examine and redefine how we all will live, learn, work, enjoy life and travel in the years ahead.



**In realising AmCham’s vision for Ireland in 2050, some metrics of this would be:**

- Number 1 in the EU for digital literacy.
- Number 1 in the EU for research in A.I., cyber, and quantum computing.
- A global centre of research excellence in critical sectors of life sciences.
- A global centre of research excellence in digital manufacturing.
- Recognised as a global leader in digitalised public services.
- A European leader in sustainable energy exports.
- Number 1 in the UN quality of life index.

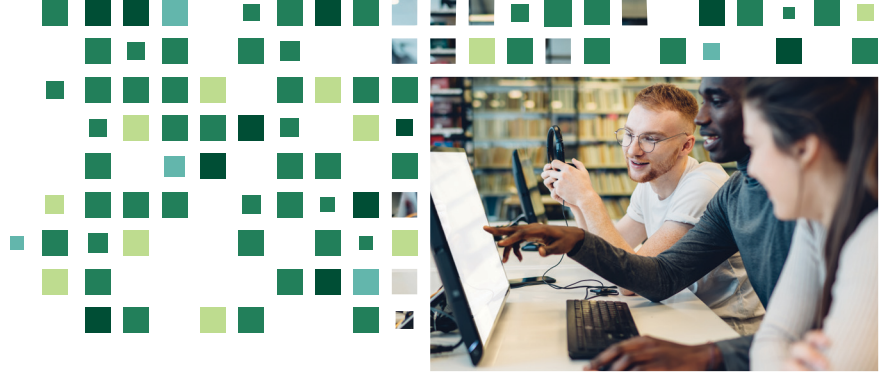
US MNCs in Ireland have played an integral role in supporting Ireland’s economy, empowering opportunities for talent development, and have placed Ireland at the centre of key global supply chains. We understand why some commentators are focusing on the “weakness” of depending on MNC’s for the greater part of our corporation tax revenues, one third of personal tax revenues and similar proportions of the other headline taxes. We take a different view. We see this as a clear signal of Ireland’s success in attracting high-value, high impact inward investment – creating hundreds of thousands of jobs on teams that are serving billions of customers and patients globally – from Ireland. Ireland has shown it can compete for the most sophisticated and cutting-edge technology and manufacturing investments globally – in every sector.

But we need to stay ahead if we are to retain this level of investment and attract the next wave. We need to build on this success, and make smart use of the forecast €65 billion surplus over the four years up to 2026. Budget 2024 provides Government with the opportunity and resources to redouble its commitment to ensuring Ireland remains an attractive destination for people to live, for business to grow, and for future inward investment to be secured.

AmCham recognises that much progress has been made by successive Governments to support Ireland’s future as a destination of choice for inward investment and talent. We believe this will continue in the short to medium term through the delivery of key strategies, including the Climate Action Plan, the ‘*Harnessing Digital*’ National Digital Strategy, the Enterprise White Paper and ‘*Impact 2030*’ the National Research and Innovation Strategy. In Budget 2024, AmCham sees the potential for Government to make further, long-term policy decisions to build upon these foundations and deliver the Ireland of 2050.

**The recommendations in AmCham’s 2024 Pre-Budget submission are focused on five key areas:**

- **Capacity:** Delivering infrastructural investment to provide the necessary capacity to support a growing and changing population, delivering housing, amenities and a planning system which empowers future development.
- **Sustainable and Certain Energy:** Delivering certainty in energy supplies and supporting the development and adoption of renewable energy solutions to power Ireland’s future.
- **Excellence in Research:** In terms of R&D, ensuring Ireland becomes a leading European hub for research, strengthening Ireland’s position in vital global supply chains.



- **Excellence in Talent:** Empowering talent with a focus on addressing skills gaps, supporting apprenticeships, and Ireland becoming a top performer within the EU in lifelong learning.
- **Digital Transformation:** Investment in the acceleration of the National Digital Strategy, with a focus on the digitalisation of public services, supporting citizens and businesses, skills development and cybersecurity for national services and vital digital infrastructure.

**AmCham's specific recommendations under each heading include:**

## **Capacity: Planning for Ireland's economy, society and communities to 2050**

The delivery of increased investment in critical infrastructure to address current challenges, and provide increased capacity to support future development, including KPIs for infrastructure delivery.

Identify all challenges in the planning system and execute reforms that are aligned with international best practice. For example, to deliver initial planning approvals/decisions within 3 months and conclude any additional planning considerations which may be required to ensure a final determination is reached within a further 3 months.

Prioritise measures to address backlogs in the planning system and reduce the current waiting timeframe, including increased digitalisation of the planning system and consolidation of the process to support more efficient and transparent execution.

The undertaking of world-class planning, with domestic and international experts, to examine international best practice on housing delivery, in both the private and rental markets, and on the delivery of key amenities and infrastructural projects to support people outside the home is essential. This will focus on delivering actions which will support the delivery of residential accommodation, amenities and vital infrastructure to support talent and their families in communities across Ireland.

A fully digitalised healthcare system, ensuring all health services are digitally linked, to provide better outcomes for patients and greater efficiencies within the health system is essential. The adoption of digital technologies will promote Ireland as a 'test bed' for new innovations in the healthcare sector, and work to promote preventative behaviours rather than emergency responses, supporting patient care closer to home and the development of a more efficient health service.

The delivery of MetroLink and Dart+, in line with Government's commitment as laid out in the Climate Action Plan, with necessary resources dedicated to both projects, and the provision of regular progress updates of delivery against the plan.

In line with the ambition of the National Connectivity Strategy, ensure every premises has access to gigabit broadband by 2028, and accelerate the rollout of the National Broadband Plan to ensure this ambition in the provision of high-speed internet is delivered.

Develop a global campaign to showcase the attractiveness of Ireland's regions as a destination of choice for investment, including a focus on clusters of excellence.

The delivery of balanced air connectivity to support Ireland's regional airports.



## Sustainable and Certain Energy: Sustainably powering Ireland in 2050

The execution of a medium to long-term strategy focused on energy self-sufficiency and exports.

Increased development of renewable energy sources, particularly focused on the potential of offshore wind, wave, solar, and green hydrogen.

Urgent acceleration and expansion of the investment in the energy grid to provide sufficient capacity levels to cater for both current and future investment and growth.

## Excellence in Research: A European hub for research in 2050

Delivering, with the necessary committed funding, a best-in-class strategy for digital manufacturing, to include a focus on deep collaboration between research centres and industry.

Attracting world-class researchers and educators into Ireland's tertiary education system.

An increase of the R&D tax credit from 25% to 30% - given the scale of international tax changes, an enhancement of the R&D tax credit would support Ireland is remaining competitive as a destination for inward investment, whilst showing Ireland's commitment as a location for research, development and innovation in the long-term.

## Excellence in Talent: Empowering talent to reach their full potential in 2050

The on-going mapping of skills needs to support the development of skills in line with the pace of innovation and change within industry.

Expansion of the range of apprenticeships available, with a particular focus on technical skills in software development, A.I., engineering, advanced/digital manufacturing, immersive technology, and cybersecurity.

The development of a digital work and learning portal as a resource for people in Ireland and globally. This portal would showcase career opportunities available in Ireland. For students, it would link to the applicable learning pathways available to enter a given career to support students in preparing for their career of choice, including apprenticeships. For overseas portal users, it would provide accessible guidance on moving to Ireland – including 'Ireland's digital gateway' – a digitalised solution to meet the employment permit and visa needs of those relocating to Ireland to study and work.

The appointment of National Champions for STEM and for language development.

Ireland's public and civil service consistently demonstrate agility, resilience and the ability to engage effectively with global counterparts. Ireland is fast becoming an even more globalised economy with a diverse society and more complex business and regulatory environment. It is essential that our public and civil service match this pace of evolution. AmCham is calling for a fundamental assessment of the skills, competencies, digital capacity and related funding to support the delivery of best-in-class public services – from our education and healthcare systems to the implementation of international tax changes and the National Digital Strategy.



## Digital Transformation: A world-leading digitalised society in 2050

Provide for and ringfence and outline a multi-annual fund to accelerate the delivery of the National Digital Strategy, with a particular focus on cyber-security, digital literacy and skills, digitalisation in healthcare, appropriate utilisation of new and emerging technologies such as generative A.I. and immersive technology.

Invest in skills development to support innovation in, and the adoption of emerging technologies, to support talent in availing of the opportunities which will arise in high-potential areas including quantum computing.

Embedding a focus on digital literacy in primary and secondary-level education, with a particular emphasis on building digital skills, and ensuring safety online.

Delivering comprehensive and coordinated digitalisation of public services.

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.

A continued focus on strongly advocating for the protection of the 'country of origin' principle at EU level.

An awareness-building campaign by Government and public bodies aimed towards other EU countries and focused on the strength of Ireland's decision-making and judicial systems as foundations for Ireland's regulatory system to European and international partners.

Commission an independent assessment of the skills, competencies, digital capacity and related funding required to deliver on Ireland's ambition as a key regulatory hub within the EU, in key areas such as financial services and data/digital (in line with the National Digital Strategy).

A continued focus on increasing investment and resourcing to the NCSC, keeping current commitments under constant review to adapt to emerging cybersecurity challenges and malicious threats, protect critical national digital services and technology systems, and empower Ireland to build world-class national cybersecurity operations – this is vital in protecting Ireland's international reputation as a hub for digital and data and enhancing Ireland's position as a location for inward investment.

Commissioning independent benchmarking of Ireland's cyber security infrastructure with international best practice on a tri-annual basis with swift actions to implement key findings.

## Implementation Timeframe

In advocating a "2050 Strategy" AmCham is not being prescriptive on timeframe of implementation for each specific recommendation. This is for a number of reasons including:

- The important immediate phase of establishing the skills, competencies, digital capabilities and resources required to implement each key area of recommendations.
- The findings from the international benchmarking exercises that we recommend through this document will vary – and the urgency of response will also vary.
- The imperative of the climate crisis and the rapid acceleration of utilisation of AI will have significant impact on how these measures might be implemented – and in what order.

For AmCham, the key question to be asked in deciding "what gets implemented when and how?" should be "how big a priority is this to enhance our global competitiveness?"

Seamus Fives  
AmCham 2023 President



## President's Foreword

US businesses have been steadfast in their commitment to Ireland, and in supporting local communities, and this is evidenced through the scale of operations which have been placed here. It is due in no small part to the operations of US business in Ireland, that there is a projected €65bn surplus for the Exchequer in the four years to 2026.

This presents Ireland with the unique opportunity to address a number of the key challenges facing business and society today – to make a real and lasting impact, and to drive the necessary changes to strengthen Ireland's economy into the future. Now is the time to make the necessary investments, not only to address the challenges of today, but to seize the opportunities of tomorrow.

In his address to the Houses of the Oireachtas, President Biden said:

*"So today, ladies and gentlemen, as we celebrate the enduring partnership between our nations, our shared past, our present, let's set our eyes squarely on the future."*

In our 2024 Budget Submission, the American Chamber of Commerce Ireland (AmCham) sets out our vision for Ireland in 2050 and our recommendations to empower Ireland to cater for a population of 8 million people, to support business and innovation, and to reaffirm Ireland's place as a global leader in digital, research and sustainability. In our submission, we outline the smart policy decisions needed to realise Ireland's potential in the decades to come, and the decisions we can take today to progress Ireland's journey to realising these ambitions including:

- The delivery of infrastructural investment and capacity development to cater for Ireland's future population growth and increasing business needs.
- The delivery of increased investment in renewable energy solutions to power Ireland's energy needs, as Ireland's journeys towards self-sufficiency, and subsequent energy export potential.
- The enhancement of Ireland's research ecosystem to ensure Ireland is the foremost destination for investment in research to support innovation.
- Empowering Ireland to continue to train and attract world-class talent to support Ireland's skills needs and future potential.
- Increased investment in digital and cyber skills and digital infrastructure to ensure Ireland is a world leader in these sectors, and in the provision of digital public services

President Biden, during his visit to Ireland, said:

*"For Ireland and the United States, now is their time to meet every challenge together - I really mean this - to raise together and to rise up in our joys and triumphs. It is their time to persevere together through sorrows and setbacks and to dream together over horizons we cannot see and to build together a future that may be, that does not exist but a future that can be."*

With smart policy decisions focused on empowering people and supporting business, AmCham believes that Ireland can lay the foundations for its future – for a future that can be.



# Ireland: Planning for its economy, society and communities to 2050

On the basis of current trends, it is reasonable to assume that Ireland’s population could reach 8 million people by 2050. It is also reasonable to assume that the dramatic changes in how people work, live, learn and travel that have happened over the past three years will continue – and that our population will become even more diverse over the coming decades. We will also come under even greater pressure to live up to our responsibilities in addressing the global climate crisis.

AmCham recommends that Budget 2024 sets out a roadmap of delivery to address our immediate capacity crisis while also laying the necessary foundations to ensure that the Ireland of 2050 is one that offers its citizens a great quality of life.

In preparing for a population of 8 million people by 2050, Ireland must provide for the housing needs of the future, deliver sustainable public transport systems, and ensure critical infrastructure, including energy, water and wastewater have sufficient capacity for current and future needs. Some might ask “does Ireland have room for 8 million people?”

Some might ask “does Ireland have room for 8 million people?” In examining population density, according to Eurostat, in 2022, Ireland’s population density was 73.3 people per square kilometre – one of the lowest in the EU. This contrasts significantly with many of our nearest neighbours and European partners. In England and Wales, the 2021 Census identified population density levels at 395 persons per square kilometre. Eurostat reports in 2022 identified population density in the Netherlands at 512.8 persons per square kilometre, 380.5 in Belgium, 139.5 in Denmark, while the EU average was 108.9. The issue for Ireland is not “do we have enough space?” – by international comparisons, we clearly do. The real issue is “do we have the expertise and digital capacity to plan how we use our space to the greater benefit of our growing population?”

Ireland must ensure we not only address the challenges of today, but plan and deliver the capacity needed to realise Ireland’s potential out to 2050, and beyond. Budget 2024 provides the opportunity for Government to lay the foundations to deliver the capacity to support Ireland’s growth into the future and to shape Ireland for the decades to come.

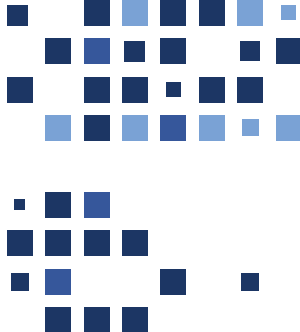
## Planning for the Ireland of 2050

AmCham welcomes the fact that Ireland has ranked overall 2nd in the 2023 IMD World Competitive Rankings. However, the IMD make clear that the dark cloud looming over this rating is infrastructure.

As Ireland plans for 2050, key to enabling the delivery of necessary infrastructure and capacity is a planning system which provides certainty of timeframe and process. Reform of our planning system is key to addressing the infrastructural and capacity challenges of today, while supporting greater forward planning in the long-term, will allow Ireland to plan for the needs of business, of talent, and in terms of sustainable energy in the decades to come.

AmCham welcomes the commitment by Government of the need for reform of the planning system, through the draft Planning and Development Bill 2022. Planning delays, and uncertainty in the process are significant competitive disadvantages for Ireland as an investment location, when compared with competitor jurisdictions. In a recent survey of AmCham members 45% of respondents said their organisation had made an application for planning permission to the planning authority in the last five





years. Of those, only 4% waited less than 3 months for a decision. 31% waited 3-6 months, 42% waited 6 months to 1 year, 8% waited 1-2 years and 15% waited longer than 2 years for a decision on their application. In planning for the future, it is essential that Ireland has a planning system under which planning decisions are delivered within 3 months, and should further consideration be required, that all additional processes will be completed within 6 months of the original application date.

Action to provide a streamlined and efficient planning system which can cater for Ireland future needs, and for a population of 8 million people in 2050, will ensure Ireland's planning system is an enabler rather than a barrier to investment, growth and development.

#### **As such, AmCham recommends that Government:**

Deliver planning reform to provide certainty of timeframe and process, with reform of judicial review processes.

Identify all challenges in the planning system and execute reforms that are aligned with international best practice. For example, to deliver initial planning approvals/decisions within 3 months and conclude any additional planning considerations which may be required to ensure a final determination is reached within a further 3 months.

Increase skills development to put in place adequate resources to support current and future planning needs at local authority and An Bord Pleanála level.

Prioritise measures to address backlogs in the planning system and reduce the current waiting timeframe, including increased digitalisation of the planning system and consolidation of the process to support more efficient and transparent execution.

Implement a triage system to prioritise critical infrastructure and investments within the planning system.

An efficient planning system is critical in supporting the development of vital infrastructure to support Ireland's energy, water and wastewater needs. In relation to water, by 2044, we will need 34% more water in the Eastern and Midlands region than is presently available.<sup>1</sup> In order to meet the needs of Ireland's growing population up to 2050, essential water supply projects must be advanced. This is necessary if we are to negate current shortfalls of supplies, to protect the environment, to meet the needs for new homes, and ultimately to continue to attract FDI into the future.

#### **AmCham recommends, in Budget 2024, that Government:**

Deliver increased investment in critical infrastructure to address current challenges, and provide increased capacity to support future development, including KPIs for infrastructure delivery.

## **Where Ireland's future population will live, learn, work, enjoy life and travel**

Housing is the foremost challenge identified by AmCham members today, with 98% of respondents to a recent AmCham survey saying that the availability of residential accommodation is important in terms of future growth and investment.

<sup>1</sup> Eastern and Midlands Water Supply | Projects | Uisce Éireann (formerly Irish Water)



The delivery of housing is a critical economic enabler and development in this area will be even more crucial in the decades ahead. As we have seen in Census 2022, Ireland's population growth is significantly ahead of previous forecasts, and as such, we must prepare for significant population growth to continue. It is vital that all areas of planning for Ireland's future take account of both the current rate of population growth and how that may increase in the years ahead.

Ireland rightly treated the pandemic as a national emergency of unprecedented proportions that required an emergency response of unprecedented scale. At lightning speed, we discerned and implemented international best practice. We leveraged the best international minds, and we drafted in leading cross-disciplinary experts located in Ireland. Key industrial operations pivoted to provide the life-science products and treatments needed. It was our number one national priority – and we delivered. AmCham is calling for the same approach to today's and no doubt tomorrow's number one priority – housing. We are in an emergency – and all the population indicators suggest it will deepen.

**In addressing both the challenges of today, and ensuring Ireland is best placed to accommodate its future population, AmCham recommends:**

The undertaking of world-class planning, with domestic and international experts, to examine international best practice on housing delivery, in both the private and rental markets, and on the delivery of key amenities and infrastructural projects to support people outside the home is essential. This will focus on delivering actions which will support the delivery of residential accommodation, amenities and vital infrastructure to support talent and their families in communities across Ireland.

A continued focus on enabling the delivery of housing commitments under the 'Housing for All' plan.

The ongoing revision of the housing targets, accompanied by the development of essential amenities and infrastructure, to accommodate continued, long-term population growth.

Increased allocation of funding for the Land Development Agency and the Office of Public Procurement to ensure necessary resourcing is in place to support housing delivery now, and into the future.

## Delivering healthcare for a growing Ireland

The transformation of our healthcare system must remain a priority for Ireland now and into the future. With continued, significant population growth, the capacity required within Ireland's healthcare system will continue to grow. Ireland can leverage the significant technological knowledge which exists here, through collaboration with US MNCs, to support innovation in healthcare, including bringing care closer to the patient.

As Ireland prepares to cater for the needs of the population of 2050, building closer linkages between medical research centres and the US will allow Ireland to be to the forefront of advancements in healthcare. Further, Ireland's population size, proximity to world-leading companies in healthcare and MedTech, increasing diversity, and popular belief in science as highlighted throughout the COVID-19 pandemic, makes Ireland an ideal 'test bed' for the roll-out of new healthcare technologies and for research in this space.



**To provide exceptional care for a growing population, AmCham believes:**

A focus on attracting and retaining world-class clinicians must be prioritised, with an emphasis on locating more clinical research in Ireland.

Capacity requirements in healthcare must be kept under constant review with regard to population growth, with forward planning a priority to cater for Ireland of 2050.

A fully digitalised healthcare system, ensuring all health services are digitally linked, to provide better outcomes for patients and greater efficiencies within the health system is essential. The adoption of digital technologies will promote Ireland as a 'test bed' for new innovations in the healthcare sector, and work to promote preventative behaviours rather than emergency responses, supporting patient care closer to home and the development of a more efficient health service.

Ensuring the necessary staff levels are in place within healthcare will be pivotal in addressing growing demands in the healthcare system.

## Developing a transport ecosystem for the Ireland of 2050

Transport infrastructure, and sustainable public transport solutions will be core to supporting Ireland's place in global supply chains, empowering talent to travel to and from work in the Ireland of 2050, and aiding Ireland's journey to net-zero. Sustainable public transport options will integrate with various transport systems in urban centres, through hubs, allowing for road, rail, and cycle solutions to interconnect. This will be further empowered through a focus on micro-mobility solutions, ensuring the start and end of every commuter's journey – the first and last mile – are best facilitated. This will ensure Ireland's transport system is effective, efficient, and reliable for individuals travelling to work, students travelling for education, and for families.

By 2050, Ireland will have regular, reliable public transport solutions connecting rural locations to key urban centres from morning to night.

**Ireland can take steps towards furthering the development of Ireland transport solutions to provide for our country's future needs with:**

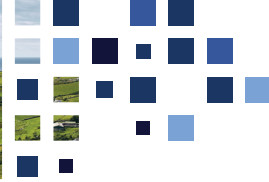
The delivery of MetroLink and Dart+, in line with Government's commitment as laid out in the Climate Action Plan, with necessary resources dedicated to both projects, and the provision of regular progress updates of delivery against the plan.

The development of enhanced walking and cycling infrastructure, ensuring that commitments made in National Planning Framework, National Development Plan, and Climate Action Plan, as related to cycling are advanced.

The development of vital road infrastructure must be advanced to support job creation and housing development and allow for the development of key infrastructural projects.

Significant expansion of the charging network for electric vehicles – measures to support the use of electric vehicles should be aggressively pursued.

Advance sustainable air connectivity solutions and explore opportunities in zero-carbon emission air travel to deliver more sustainable transit options.



## Balanced regional development

As Ireland grows into the future, balanced regional development will be to the fore of enhancing Ireland's business ecosystem, and supporting talent in living in, and working from both urban and rural environments.

In 2022 Ireland attracted 242 investments from IDA clients. Over half of these projects - 52% - went to regional locations.<sup>2</sup> In line with these regional investment trends, Ireland's regions will further support clustering of key industries, ensuring each regional city is a centre of excellence on the global stage.

With pharma and cyber bases in Cork, digital manufacturing in Limerick and MedTech in Galway, significant clusters already exist within Ireland's regional locations. By securing key infrastructural investment to ensure capacity exists in our regions for future growth and development, Ireland can enhance collaboration and innovation, and further attract the most in-demand international talent to our regions.

### In focusing on supporting balanced regional development, Government must:

In line with the ambition of the National Connectivity Strategy, ensure every premises has access to gigabit broadband by 2028, and accelerate the rollout of the National Broadband Plan to ensure this ambition in the provision of high-speed internet is delivered.

Develop a global campaign to showcase the attractiveness of Ireland's regions as a destination of choice for investment, including a focus on clusters of excellence.

Core in supporting balanced regional development and ensuring Ireland's regions are best placed to be key global hubs for talent and for innovation in the decades to come will be investment in and the delivery of vital transport infrastructure. In addition to road and rail links, balanced air connectivity, linking Ireland's region with core European hubs and through transatlantic routes will be essential in ensuring our regions are firmly connected with global supply chains into the future. This will also ensure that talent can build on the opportunities offered by Ireland's regional strengths.

### AmCham recommends that particular priority is placed on:

The delivery of balanced air connectivity to support Ireland's regional airports, including Cork, Donegal, Kerry, Knock and Shannon.

**South/MidWest:** Delivery of the Cork Commuter Rail Programme, and Luas Cork, delivery of the M20 between Cork and Limerick, implementation of the Cork Metropolitan Area Transport Strategy.

**West:** Reconsider the development of the Galway ring-road, and establish 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.

<sup>2</sup> Highest Increase in FDI Employment ever | IDA Ireland



## Sustainably powering Ireland in 2050

*“Ireland’s famous 40 shades of green are being supplemented by green energy, green agriculture and green jobs. Make no mistake, the entire world sees and is drawn to the opportunities that exist on this island ...”*

President Biden’s words to the Houses of the Oireachtas reflect the opportunities that exist for Ireland to pave the way in sustainability. Indeed, AmCham members are at the forefront of the move to a greener, and more sustainable future for Ireland. A recent survey of AmCham members identified that 42% aim to be carbon neutral by 2030, and this is increases to 64% by 2040. Core to Ireland’s sustainable future is the development of renewable energy.

Ireland, in the decades ahead, has the future capacity not only to be self-sufficient in terms of renewable energy production, but also to become an exporter of green energy. In making this ambition a reality, investment in sustainable energy infrastructure is paramount, as is removing barriers to the development of renewable energy solutions.

### Ireland’s renewable energy future

Ireland can lead global efforts to address climate change. The Climate Action Plan provides an important basis for these efforts. Budget 2024 provides a significant opportunity to build upon the Climate Action Plan to further empower Ireland’s journey to being a world leader in sustainability and renewable energy.

Further, Ireland’s ambitions should not be curtailed by the limitations of technology of today. Rather, it is important Ireland’s ambitions acknowledge the capabilities which will come on-stream in the years ahead as we progress on the journey to a carbon neutral, sustainable and greener economy.

#### **In this context, AmCham recommends:**

- The development of a roadmap for business, building on the Climate Action Plan, with defined KPIs and concrete timeframes.
- The execution of a medium to long-term strategy focused on energy self-sufficiency and exports.
- Increased development of renewable energy sources, particularly focused on the potential of offshore wind, wave, solar, and green hydrogen.
- The speedy delivery of a hydrogen strategy for Ireland in the short to medium term.
- The development of a comprehensive strategy on the production of biomethane in Ireland.
- Assess future infrastructure projects with a focus to decarbonise Ireland’s energy sector responsibly and sustainably.
- Assess the competitiveness of sustainable investment and green finance in Ireland.
- The provision of guidance for business in meeting their sustainability reporting requirements to minimise the additional administrative burden resulting from these requirements.



## Powering Ireland

To support Ireland's increasingly digitalised future, by 2050 Ireland will have continued to attract significant manufacturing facilities and infrastructure to support data. This will be increasingly powered with renewable energy.

Foremost in achieving this is the provision of certainty and stability in relation to security of energy cost, supply, and capacity. In protecting Ireland's reputation in the short-term, investment in Ireland's energy grid is pivotal to supply energy storage, redundancies and the capacity for current needs and future growth. Of AmCham members surveyed, 96% of said that certainty with regard to energy cost and supply is important to maintaining FDI employment in Ireland. The current energy crisis has highlighted the urgent need to grow Ireland's indigenous renewable energy base, particularly if Ireland is to cater for a growing population, and to support investment and growth in energy infrastructure to deliver the Ireland of 2050.

AmCham acknowledges the progress made to date in supporting energy efficiency and reduction, including the introduction of new legislation for the Energy Efficiency Obligation Scheme, and the EXEED grant scheme which came into place in 2022. However, in facilitating Ireland's decarbonisation, and delivering a greener society, the delivery of an upgraded and expanded power grid is essential. Great potential exists for Ireland in renewable energy as we approach 2050. As outlined in AmCham's recent White Paper on Sustainable Energy, *"In the future Ireland could generate enough hydrogen to export to countries with less ability to produce the gas. This presents a real opportunity for Ireland to position itself as a leader on hydrogen, and moves should therefore be made to facilitate this."*<sup>3</sup>

### In this context, AmCham continues to advocate for:

Urgent acceleration and expansion of the investment in 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.

### AmCham further calls for:

Increased electrical import capacities for large industrial users and facilitating those large users with variable rather than fixed import capacities.

An increase in capital spending on the power grid system, delivered in a timely manner.

Enhanced interconnection and cross-border sharing of electricity.

Greater engagement with industry to examine feasible mitigation measures for short to medium-term energy pressures.

<sup>3</sup> Sustainable Energy: Powering Ireland into the Future, AmCham



## Ireland: A European hub for research in 2050

### In the words of President Biden:

*“Ireland is a hotbed of cutting-edge science, research and the emerging technologies that will influence so much of our shared future.”*

AmCham acknowledges the ambition outlined in the Department of Enterprise, Trade and Employment’s White Paper on Enterprise to increase expenditure on R&D to 2.5% of GNI\*. AmCham has advocated for increased investment in R&D to bring Ireland’s spend in line with the EU average. Achieving this would form the basis upon which Ireland can further expand its investment and expertise in research and innovation.

By 2050, Ireland has the potential to be a global leader in research and to remain a hotbed of innovation. By supporting the continued growth of MNCs here, ensuring Ireland continues to attract key talent, and by making significant, smart investment and policy decisions, Ireland can be a European champion for research – and the destination of choice within the EU for US MNCs to place integral research functions. This would ensure Ireland plays a critical role in global value chains and takes its place at the heart of the global economy.

Today, Ireland is home to 9 of the top 10 US technology companies, 9 of the top 10 pharma companies, and 14 of the top 15 MedTech companies. The presence in Ireland of the EU or EMEA HQs for many US MNCs and of significant functions of US MNCs in digital, pharma, and MedTech signals the commitment of such industries to Ireland’s research and innovation ecosystem. In Budget 2024, Government can reaffirm its commitment to business and to research, through outlining a significant multi-annual investment plan to enhance and build Ireland’s ecosystem for research. This will be integral in achieving a vision for Ireland which includes Ireland being number one in the EU for research in A.I., cyber, and quantum computing and in Ireland becoming a global centre of research excellence in digital manufacturing and healthcare as a digital service.

Deliver an enhanced national research ecosystem, making Ireland a destination of choice in the EU for industry to place integral research functions.

### Incentivising research, development and innovation

Research functions represent high-value investments, which can be greatly beneficial to Ireland’s economy and also the overall research ecosystem, supporting collaboration with higher-education and driving indigenous innovation. In making Ireland a centre of excellence in key research areas by 2030 and in enhancing the ecosystem for research, it is important that Ireland is cognisant of initiatives being offered by competitor jurisdictions. Ireland has to date seen the benefits of the R&D tax credit, and it is important that this support remains adaptable and is reflective of Ireland’s ambition to be a global leader in research.



**As such, AmCham advocates for:**

An increase of the R&D tax credit from 25% to 30% - given the scale of international tax changes, an enhancement of the R&D tax credit would support Ireland in remaining competitive as a destination for inward investment, whilst showing Ireland's commitment as a location for research, development and innovation in the long-term.

The expansion of the scope of qualifying fields for the R&D tax credit, to include artificial intelligence, data analytics, digitalisation, emerging technologies in the field of advanced/digital manufacturing, and carbon neutrality to support the advancement of climate action.

**In ensuring the Ireland of 2050 is a hotbed of research and innovation, underpinned by an ecosystem supporting collaboration between MNCs, indigenous business and academia, AmCham continues to call for:**

Deliver, with the necessary committed funding, a best-in-class strategy for digital manufacturing, to include a focus on deep collaboration between research centres and industry.

## Research excellence in Ireland's third-level institutions

In enhancing Ireland's reputation as a destination for research and innovation, support for research in our third-level institutions is paramount. Although there are debates surrounding metrics used for university and third-level institution rankings, the inclusion of Irish universities within the Top 100 universities in the world is a key statistic for many industry leaders in assessing the capacity of Ireland's research and innovation ecosystem. As such, by 2050, as a centre of excellence in research, Ireland must strive to ensure our third-level institutions are best placed to be to the forefront of academic research output. This must be further supported by a long-term focus on enhancing research collaboration between industry and academia.

Currently, circa 550-600 PhD students graduate in Ireland each year – in ensuring the Ireland of 2050 is a bastion of research and innovation, a focus must be placed on increasing the proportion of PhD graduates and the capacity for research development in Ireland.

Attracting world-class researchers and educators into Ireland's tertiary education system must be a priority to reach Ireland's long-term potential, and further support industry-academia collaboration and talent development.

## CASE STUDY: Digitalisation in India

Digital India is a programme focused on greater accessibility for citizens to government services, while allowing for greater transparency and cost-efficiency in the delivery of such services.

The Digital India programme has nine pillars including e-governance: to reform government via technology, electronics manufacturing, IT for jobs, early harvest programmes and information for all. The focus on building digital infrastructure allows citizens to better connect with public services, and supports the start-up and innovation eco-system, bringing more efficiency to business, and supporting business in engaging with and exploring new markets.





# Ireland: Empowering talent to reach their full potential in 2050

Investing in Ireland's talent and human capital is essential in delivering on the potential which exists for Ireland up to 2050. Ireland currently has the 4th most diverse workforce in the EU, and with net immigration being a larger driver of population growth than natural increase – this suggests Ireland's population will continue to become increasingly diverse as we advance towards 2050. AmCham members consistently highlight talent attraction as one of the three foremost challenges to growth and investment in Ireland. The greatest skills gaps for AmCham members have been identified in engineering, data and digital, and machine learning and A.I. These areas also represent some of the greatest opportunities in the years ahead, and so significant moves must be made to rectify the gaps that exist in these areas.

## Apprenticeships

As we empower talent, and ensure Ireland is the destination for choice for international talent, we must ensure educational pathways exist for every individual in Ireland to achieve their potential. In complementing Ireland's tertiary education system, the opportunity exists to strengthen and expand apprenticeships to provide alternative pathways to highly skilled, technical roles.

### To realise this opportunity, AmCham recommends:

The on-going mapping of skills needs to support the development of skills in line with the pace of innovation and change within industry.

Expand the range of apprenticeships available, with a particular focus on technical skills in software development, A.I., engineering, advanced/digital manufacturing, supply chain, immersive technologies, and cybersecurity.

Continued engagement with European and international partners to inform future development of apprenticeships from international best practice.

A greater focus on communications campaigns aimed at school-leavers, and those in the workforce showcasing apprenticeships as a pathway to qualifications.

## Empowering students and talent with information on career opportunities

A greater commitment to lifelong learning in Ireland will assist the country to reach its full potential. Eurostat measures on lifelong learning have identified Ireland as being significantly behind some of our EU partners. Eurostat found that 13.6% of the adult population in Ireland were engaged in lifelong learning in 2021. This stands in contrast to Sweden, where 34.7% were engaged in lifelong learning and Finland, where the rate was 30.5%. In supporting talent in developing their skills to meet the needs of business up to 2050, Ireland must focus on ensuring it moves up the lifelong learning league table to become one of the EU's top performers. Ireland has the 4th most internationalised workforce in the EU - in advancing lifelong learning initiatives, it is essential to recognise the diversity of Ireland's population, and to ensure areas of opportunities are provided for individuals throughout our society.



### **AmCham recommends:**

The development of a digital work and learning portal to act as a resource for people in Ireland and globally. This platform would showcase career opportunities available in Ireland. For students, it would link to the applicable learning pathways available to enter a given career to support students in preparing for their career of choice, including apprenticeships. For overseas portal users, it would provide accessible guidance on moving to Ireland – including *'Ireland's digital gateway'* – a digitalised solution to meet the employment permit and visa needs of those relocating to Ireland to study and work.

This platform should be developed in conjunction with MNCs, with a view to current, and future skills needs. Such a digital platform should be accessible multilingually to support the marketing of Ireland as a great place to learn, live, and work to international students, and talent from across the globe.

Lifelong learning must recognise the diversity of Ireland's population and provide opportunities for people with a disability.

## **Ireland's education champions**

Key to the Ireland of 2050 reaffirming its place at the centre of global supply chains, at the forefront of research and at the heart of the EU will be a focus on addressing skills challenges and identifying future opportunities for talent. The appointment of Ireland's first A.I. Ambassador has been positive in increasing the focus on A.I. at national level, and in having a national champion for Ireland in this space. As we look to Ireland's future potential, there must be a similar focus on supporting language development, bolstering opportunities in STEM, and closing the gender gap in STEM.

We also have a great opportunity to enhance the opportunities for students at primary and secondary level to learn multiple languages – critically important for many multinational operations based here whose people are serving customers in global markets.

### **With this in mind, AmCham believes Government must:**

Appoint a National Champion for STEM to support talent development, build awareness of career opportunities, and support collaboration between industry and academia.

Appoint a national champion for languages to support language development, ensuring talent in Ireland is best placed to support Ireland's ambitions within the EU and on the global stage.

## **Ireland's digital gateway for visas and employment permits**

Much progress has been made in supporting international talent in moving to Ireland. AmCham recognises the work undertaken by the Department of Enterprise, Trade and Employment in reducing delays in the employment permit system to support business and talent in addressing skills needs in Ireland.

As we look to the future and the Ireland of 2050, action can be taken to better enhance the experience of international students, international talent and their families in relocating to Ireland. As talent continues to become increasingly globally mobile, it is essential that the first impression international talent receive of Ireland is positive – that first impression is often provided by our visa and employment permit systems. AmCham is of the view that Ireland can ensure the experience of international talent, and their families is streamlined, efficient and positive through rapid digitalisation, providing a one-stop-shop for all of their employment permit and visa needs, via a centralised application portal.



### **AmCham calls for:**

The development of *'Ireland's digital gateway'* – a digitalised solution to meet the employment permit and visa needs of those choosing to relocate to Ireland to study and work.

Provide clarity in relation to visas for PhD researchers and their families to support researchers in entering the workforce in Ireland following completion of their PhD.

To consider the extension of work access eligibility to spouses/partners of those in Ireland on Intra Company Work visas, to support international talent in relocating to Ireland – this could be further facilitated through a digital visa and permit gateway.

Further, Ireland is competing for talent with other territories which have more attractive options on share incentivisation for productivity. Ireland should examine opportunities in this regard to support Ireland in remaining a destination of choice for talent.

## **Resourcing Ireland's public service**

In many areas, the opportunity exists for Ireland to be a centre of excellence, again however, this is dependent on key public sector resourcing being in place. AmCham notes the OECD warning of a retirement cliff in the civil service in the near future. In Budget 2024, a focus on increasing resourcing for essential state and regulatory bodies, and Government Departments will be important in sending a signal that Ireland is a country which can, and will deliver on its commitments, and realise the potential of what Ireland can achieve by 2050.

Ireland's public and civil service consistently demonstrate agility, resilience and the ability to engage effectively with global counterparts. Ireland is fast becoming an even more globalised economy with a diverse society and more complex business and regulatory environment. It is essential that our public and civil service match this pace of evolution. AmCham is calling for a fundamental assessment of the skills, competencies, digital capacity and related funding to support the delivery of best-in-class public services – from our education and healthcare systems to the implementation of international tax changes and the National Digital Strategy.

### **In Budget 2024, AmCham recommends:**

Adequate resourcing levels are provided to regulatory bodies to support Ireland's ambition as a key regulatory hub within the EU, in line with the National Digital Strategy.

The identification and introduction of a recruitment mechanism for regulatory bodies, given the current and certain future demand for resources, to ensure regulators are best prepared to fulfil their duties and, as such, responsibility for the recruitment of personnel does not fall solely on the regulator post-establishment.

Resourcing levels are maintained within the migration section of the Department of Enterprise, Trade and Employment to support the needs of talent and their families in moving to Ireland, as the skills needs of businesses continue to grow.

Resourcing is increased in vital Government Departments, particularly in the Department of Finance to support the implementation of international tax changes and advance a transition to a territorial system of taxation, ensuring Ireland is no longer an outlier in the EU. This would enable the updating of our taxation code to align with the needs of the 21st century business and investment environment. (*AmCham will further outline taxation proposals in its response to the Finance Bill.*)

Resourcing is increased in Government Departments responsible for the National Digital Strategy, in particular the Department of Enterprise, Trade and Employment, given Ireland's ambition to be a global digital leader.



## Ireland: A world-leading digitalised society in 2050

Data, digital and cyber play a fundamental role in supporting the Irish economy. Given the significant presence of companies operating in the digital and data sectors in Ireland, many of whom have their EMEA HQs or significant operations in Ireland, Ireland has significant potential to be a centre of excellence within Europe in key areas, including quantum computing and cyber.

With smart policy direction, and by leveraging the expertise within MNCs here, Ireland will, by 2050, be number one in the European Union in digital literacy, in research in specialist digital areas, and a global leader in cybersecurity.

Many of the greatest opportunities for Ireland in the decades to come exist in data, digital and cyber. Building on the Government's National Digital Strategy '*Harnessing Digital*', AmCham recommends that in Budget 2024, Government should utilise the forecast budget surplus in the coming years to:

Provide for and ringfence and outline a multi-annual fund to accelerate the delivery of the National Digital Strategy, with a particular focus on cyber-security, digital literacy and skills, digitalisation in healthcare, appropriate utilisation of new and emerging technologies such as generative A.I. and immersive technology.

Invest in skills development to support innovation in, and the adoption of emerging technologies, to support talent in availing of the opportunities which will arise in high-potential areas including quantum computing.

In line with the ambition of ensuring Ireland is number one in the EU for research in quantum computing and cyber, invest in the development of research in these fields.

Supports for business, and particularly SMEs, in adopting A.I. solutions.

Ensure Ireland makes a proactive effort in supporting an ethical, human-centred, risk-based approach to A.I. regulation at EU level.

Embed a focus on digital literacy in primary and secondary-level education, with a particular emphasis on building digital skills, and ensuring safety online.

### A digital Ireland for growing population

With Ireland's population growth outstripping forecasts, and the need to plan for a population of 8 million people by 2050, digitalisation of public services is needed to provide efficient and effective services for citizens and businesses. The digitalisation of public services, on a cross-governmental basis, will increase the capacity to cater for a greater number of people, and empower citizens and businesses – allowing Ireland to take its place as a global leader in the delivery of digitalised public services. Advancing the



digitalisation of public services will be particularly impactful in ensuring greater efficiencies, for instance, in the provision of healthcare, benefiting patients throughout the healthcare system.

**In delivering on Ireland's potential to support a growing population up to 2050, AmCham continues to advocate for:**

The delivery of comprehensive and coordinated digitalisation of public services accompanied by an action plan with KPIs and key milestone investments necessary to facilitate the strategy.

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.

## Cybersecurity for Ireland's future

Increasing digitalisation necessitates increased investment in, and development of cybersecurity. To support the digitalised Ireland of 2050, Ireland must be to the forefront of global efforts to identify, withstand and tackle cyber-threats. Ireland today is home to EMEA HQs or significant operations many of the world's largest companies, and providing world-class protection and regulation must be a priority. The potential exists for Ireland to be a global leader in cybersecurity by 2050 – at the forefront of innovation and playing a critical role in the protection of global supply chains.

**AmCham recommends:**

A continued focus on increasing investment and resourcing to the NCSC, keeping current commitments under constant review to adapt to emerging cybersecurity challenges and malicious threats, protect critical national digital services and technology systems, and empower Ireland to build world-class national cybersecurity operations – this is vital in protecting Ireland's international reputation as a hub for digital and data and enhancing Ireland's position as a location for inward investment.

That resourcing of the NCSC ensures a robust team of experts from backgrounds directly linked to cyber including diplomacy, incident response, and law enforcement.

That future resourcing of the NCSC additionally acknowledges the need for experience from varying backgrounds, including behavioural sciences, geopolitics and psychology.

Given that cyber personnel are in high demand, the resourcing approach should ensure the NCSC is resilient against attrition of key staff.

Commissioning independent benchmarking of Ireland's cyber security infrastructure with international best practice on a tri-annual basis with swift actions to implement key findings.

The resourcing of cyber security within key regulatory bodies is prioritised.



## A European digital regulatory hub

Given the scale of MNC investment in Ireland and their significant presence here, Ireland is an important digital regulatory hub within the EU. Looking to 2050, Ireland has the opportunity to further develop this position, and become a centre of excellence for regulation, at the heart of the EU. In 2050, Ireland will be a European champion, spurring innovation in A.I., cyber, data, digital, and digital manufacturing, and advocating for a regulatory ecosystem focused on balancing key protections with the need to foster innovation.

### In achieving this ambition, AmCham recommends:

A continued focus on strongly advocating for the protection of the 'country of origin' principle at EU level.

An awareness-building campaign by Government and public bodies aimed towards other EU countries and focused on the strength of Ireland's decision-making and judicial systems as foundations for Ireland's regulatory system to European and international partners.

Leveraging the industry expertise based in Ireland to inform technical consideration of future regulation at EU level, informed by the experience of Irish regulators.

Commission an independent assessment of the skills, competencies, digital capacity and related funding required to deliver on Ireland's ambition as a key regulatory hub within the EU, in key areas such as financial services and data/digital (in line with the National Digital Strategy).

Taking proactive positions on key files under consideration at EU level, particularly in the areas of A.I., cyber, data, digital and advanced/digital manufacturing.

## CASE STUDY: A.I. supporting healthcare in Estonia

The Estonian Health and Welfare Information Systems Centre introduced a Data Viewer tool which makes healthcare data available to physicians in a manner that supports the care of the patient, providing an overview of the patient's health. This system compiles data relating to analyses, diagnoses, examinations, immunisations, surgeries, and additional risk factors, and has benefits in terms of efficiency and driving better patient care.

This builds upon other A.I. tools being utilised in Estonia's healthcare system. The Drug Interaction Assessment Database alerts physicians of other drugs a patient may be taking, and recommends alternatives in instances where a drug being described may not combine well with an existing drug a patient is taking.

Further, the Estonian Health Insurance Fund launched a Pre-visit tool, allowing patients to interact with the tool, answering questions on their health history and systems. This tool then assesses the urgency of the patient's issue and directs them to the most suitable solution.



## 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.

[amcham.ie](http://amcham.ie)



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