

---

# Draft National Risk Assessment 2021/2022 – Public Consultation

Response from the American Chamber of  
Commerce Ireland to the Department of the  
Taoiseach's public consultation on the Draft  
National Risk Assessment

07 September 2021

The American Chamber of Commerce Ireland ('AmCham') is the leadership voice of US business in Ireland. Our mission is to strengthen the transatlantic business community through advocacy and networking with purpose. AmCham membership includes US companies operating from Ireland, Irish companies expanding in the US and organisations with strong bilateral links between Ireland and the US.

AmCham welcomes the opportunity to comment on the draft National Risk Assessment, and we welcome the updating of the consideration of risks to the Irish economy.

## Question 1: Are there other significant risks that you feel should be included under the categories listed below?

Overall, the draft report aligns with AmCham's opinions regarding the risks facing Ireland. In response to Question 1 of the consultation, AmCham is of the view that largely the correct strategic risks have been identified.

AmCham is of the view, however, that recovery and future protection of air connectivity should be considered as a risk for inclusion in the draft National Risk Assessment. The pandemic has significantly affected many sectors from hospitality to aviation. Ireland is home to many multinational organisations and air connectivity has traditionally been important for both business and tourism. As outlined in AmCham's '2020 US-Ireland Business Report' report, Ireland is the 9th largest source of inward investment to the US, with 110,000 people employed by Irish companies in the US.<sup>1</sup> US companies in Ireland invest €5.3 billion each year on capital expenditure, employ 180,000 people and indirectly support a further 144,000 jobs in the Irish economy.

---

<sup>1</sup> AmCham's Business Report, available: [Blog 2 — AmCham Business Report](#)

---

According to an OECD report, Ireland is fifth in the world for the export of COVID-19 related products and services.<sup>2</sup> Ireland's open economy is supported by global links, and air connectivity is important for trade, business, and personal links to Ireland's diaspora. Ireland proved to be a reliable partner for global businesses managing complex global supply chains throughout the pandemic. This was not without its challenges during the early phases of the pandemic. With a potential shift away from diversified global supply chains in an attempt to simplify logistics, Ireland must consider any future factors that could disrupt the movement of goods and services in terms of cost and reputation.

AmCham's members consistently raise the importance of transatlantic routes and connections between Ireland and European hubs in terms of business and in relation to connecting them with key markets. Ensuring a return of air connectivity to the greatest extent as soon as possible would be beneficial in supporting businesses in Ireland. As outlined in AmCham's response to the Department of Public Expenditure and Reform's consultation on the National Development Plan, prior to the COVID-19 pandemic, Ireland has over 200 weekly flights to destinations in the US, with connections to over 200 global destinations available through Dublin Airport.<sup>3</sup> Ireland also acts as an important gateway to the European Union for transatlantic business. As Ireland begins to recover from the impact of the pandemic, the resumption, and expansion of capacity for travel in relation to transatlantic, EU, and global connectivity must be a priority. It will be necessary for significant capital investment to be provided for the aviation sector to ensure Ireland provides the required levels of connectivity to support businesses in Ireland and not have adverse impacts on inward investment.

The need to protect the aviation sector and air connectivity, both in a manner which connects businesses with foreign markets, including new markets, and safeguards and enhances tourism in Ireland moving forward is of the utmost importance. The recovery of these sectors, and the examination of measures to protect them should another global crisis arise, constitute a significant risk.

---

<sup>2</sup> <https://irishadvantage.us/irelands-economic-contribution-to-the-us/>

<sup>3</sup> AmCham's submission to the Department of Public Expenditure and Reform's consultation on the National Development Plan, available [American-Chamber-NDP-Review-Submission\\_1.pdf \(amcham.ie\)](#)

---

Question 2: Are any of the risks listed not significant enough to warrant inclusion? Please limit your word count to 500 words.

### *3.2 Changes to the international tax and financial system*

As outlined in the draft National Risk Assessment, multinationals contribute circa 80% of total corporation tax. AmCham is of the view that it is important that Ireland factor the implications of international tax changes into its overall fiscal policy. Ireland must ensure its domestic tax regime remains competitive in attracting inward investment following the implementation of any agreed international tax changes by revamping the R&D tax credit and enhancing domestic tax offerings to ensure flexibility, while aligning with international changes. Companies choose to locate in Ireland for many reasons including Ireland's track record of operational excellence, high quality of life, and rich talent pool. It is important, in AmCham's view, that these factors are protected and built upon.<sup>4</sup>

### *A flexible education system to nurture digitalisation and the knowledge economy*

AmCham is of the view that the risk posed by not closing the research and development gap is of such significance to warrant coming under its own heading. As outlined in AmCham's pre-budget submission, AmCham is concerned that not closing the research and development gap will leave Ireland at a disadvantage in relation to its ability to attract new inward investment into the domestic economy and this is of particular importance in the context of proposed changes to the international tax system.<sup>5</sup>

### *5.1 Climate change*

AmCham fully supports the Government's commitments to transition to a carbon neutral economy by 2050. AmCham welcomes the acknowledgment of climate and sustainability risks in the draft National Risk Assessment, particularly as many of our members are aligned to more ambitious sustainability targets. However, in addressing risks associated with climate changes and sustainability, AmCham is of the view that it is important to ensure there are supports in place for businesses, and members of the workforce in adopting new, greener technologies and upskilling. The development of infrastructure,

---

<sup>4</sup> AmCham's Report '*Building Bridges Better*'

<sup>5</sup> AmCham's Budget 2020 Submission, '*Next Century Ireland*', available: [Final-2022-AmCham-IRL-Pre-Budget-Submission-\(2\).pdf.aspx](#)

---

particularly regarding the capacity of the energy grid and of water infrastructure, to support the Government's ambitions, and RDI supports to assist in developing greener solutions are important challenges in this context.

### *3.5 Labour shortages and capacity constraints*

The draft National Risk Assessment rightly addresses the challenges posed by skills shortages and issues related to the planning system in this section, while also addressing the impact of shortages of affordable housing in section 4.2. AmCham also commends the scale and ambition of the Government's Housing for All Plan to tackle the accommodation crisis.

AmCham is of the view that the draft report should further expand on the challenges posed by the uncertainty which exists in the Irish planning system relating to timelines and the advancement of the planning process following an application. The presence of US companies in Ireland is partly visible through the scale of investment which has delivered some of the world's most advanced manufacturing facilities, supported by world class teams, and developing world-class talent. However, similar facilities in other jurisdictions can be completed in the timeframe it takes for the planning process to conclude in Ireland.

**Question 3: Given some risks materialised recently, for example COVID-19, what learnings could be incorporated into the National Risk Assessment to improve the process in the future? Please limit your word count to 500 words.**

### *4.5 Digital Exclusion*

AmCham believes that the risks identified in this section would be better captured by a broader heading to better reflect the risks posed to Ireland in relation to digitisation measures. AmCham believes that the need for increasing digitisation of public services, and the streamlining of access to such services by individuals and businesses should be addressed as a risk in this section. This is particularly the case given that, during Covid-19, both businesses and individuals needed to access public services and

---

supports digitally. Advancements made during the pandemic should be built upon to future-proof access to public services. The utilisation of a public-cloud first policy would be beneficial in this regard.<sup>6</sup>

As outlined in the AmCham's pre-budget submission, Ireland's visa/permit system could benefit from increasing digitalisation, building upon the digital measures introduced during the pandemic.<sup>7</sup> Increasing digitalisation of the visa/permit system would assist in ensuring Ireland remains an attractive and accessible place for those re-locating here for work as well as for their families, and it would be beneficial in addressing risks related to the attraction of talent during times where the mobility of people may be adversely impacted. Section 4.3 Migration and integration of the draft report acknowledges that "Ireland has long depended on migrants to alleviate shortages in the tightest sectors of the labour market", and a digitalisation of the visa/permit system would be beneficial in streamlining the immigration system.

### *6.3 Cybersecurity*

Awareness of the importance of cybersecurity has become more prevalent during the Covid-19 pandemic, especially as businesses and the public sector have moved to an increasingly virtual working environment, utilising digital and cloud-based technologies to a greater extent than before. Cybersecurity advancements are a prerequisite for the digitalisation of public services. The cyberattack on the health service in Ireland has highlighted how vulnerabilities which exist in relation to cybersecurity must be efficiently and effectively addressed. Key to this will be the continued support of the National Cyber Security Centre (NCSC), including the provision of significant funding and resources. AmCham has outlined our view as to a comprehensive roadmap to make Ireland a global centre of cyber excellence, and in doing so address cybersecurity related risks in our Report "*The Strongest Link in the Chain: Ireland's Global Cyber Security Leadership*".<sup>8</sup>

---

<sup>6</sup> AmCham's Budget 2020 Submission, '*Next Century Ireland*'

<sup>7</sup> AmCham's Budget 2020 Submission, '*Next Century Ireland*'

<sup>8</sup> AmCham's Report "*The Strongest Link in the Chain: Ireland's Global Cyber Security Leadership*", available: [AmCham-Ireland-The-Strongest-Link-in-the-Chain-Ireland-s-Global-Cyber-Security-Leadership.pdf.aspx](#)

---

### *Future of work*

The pandemic has led to a change in the work environment and returning to how we used to work before Covid-19, in many cases, may be unlikely. Remote working has become normal for many, and there are learnings from Covid-19 which can shape how we work into the future. While this may pose challenges in terms of mobility and logistics in some cases, Ireland, with many of the world's largest employers, can be a thought leader on how we work post-pandemic and by drawing on that expertise, be well-prepared should we ever need to move en masse to a virtual working environment again.<sup>9</sup>

---

<sup>9</sup> AmCham's Budget 2020 Submission, '*Next Century Ireland*