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# **Consultation on the Department of Enterprise, Tourism and Employment, Action Plan on Competitiveness and Productivity.**

**Response from the American Chamber of Commerce Ireland  
(AmCham) to the Department of Enterprise, Tourism and  
Employment.**

**June 2025**

# **The American Chamber of Commerce Ireland**

## **The Voice of US-Ireland Business**

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The American Chamber of Commerce Ireland (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.

The American Chamber of Commerce Ireland (AmCham) welcomes the opportunity to make a submission to the consultation on the Department of Enterprise, Tourism and Employment's Action Plan on Competitiveness and Productivity.

In the context of changing global trade patterns and geopolitical challenges, it is vital that Ireland, as a small, open economy continues to focus of policy implementation that enhances Ireland's competitiveness and attractiveness as a premier destination for international investment. In a recent AmCham survey of member organisations, conducted in Q1 2025, 9 in 10 respondents stated that their corporate headquarters held a positive view of Ireland as a location for investment and growth.

Despite these encouraging figures, it is critical that Government continues to invest in key areas and develop policy that supports growth, pursues simplification, and fosters a business ecosystem that increases Ireland's international competitiveness, in order to maintain its position as an investment location.

### **Energy Infrastructure**

Ireland's electricity grid is of critical importance to the development of society and the business community. Reliable, affordable, and sustainable energy is of paramount need in order to facilitate growth across the island. Achieving optimisation of the electricity grid will demand significant investment from Government and the need to address regulatory burdens placed on businesses, including reviews of connection policies and how businesses produce and use energy in Ireland. Further investment will also provide the opportunity for Government to enable vital improvements to the existing grid infrastructure that will enhance the ability of the electricity grid to withstand increasingly powerful weather events. In a recent AmCham survey, 100% of responding members stated that grid enhancements were important for continued FDI, while 77% stated that it was extremely or very important. These improvements benefit not just the business community but also protect other critical services and the general public.

Further investment and international agreements in relation to the development of new interconnectors, including with France and Spain, can result in greater electricity supply to Ireland and facilitate future progress towards increasing levels of energy exports. The goal of driving revenue from energy exports will be significantly progressed by the scaling

up of wind and solar energy in Ireland, particularly in relation to offshore- wind energy. Through the development and implementation of clear roadmaps and policies for the scaling up of renewable energy in Ireland as well as reducing barriers within the planning system, Ireland can make steps to maximising the output of the renewable energy sector and reducing energy costs in Ireland.

Sustained investment in water and wastewater services and projects will further enhance Ireland's position to adequately meet the needs of both society and the business community. These measures including the delivery of the Eastern and Midlands Region project and the Greater Dublin Drainage project will provide for sustainable growth in both population and economic activity, meeting the needs for increased housing supply, industry and innovation.

### **Talent Development & Retention**

A recent AmCham survey highlighted that 63% of responding members saw access to a highly educated and skilled talent pool in Ireland as the nation's single biggest competitive advantage that has caused their organisation to invest and expand in the state. Ensuring the delivery of an adequate supply of housing both in the rental and purchase markets will have a direct impact on the ability of businesses to attract and retain talent in Ireland. In the same survey 34% of respondents highlighted that the lack of housing supply was the number one challenge facing their future growth and investment in Ireland.

Addressing the challenges in the housing sector is of critical importance to Ireland's long-term growth and competitiveness, this will require meaningful reviews of the planning system to alleviate bottlenecks within the system, ensuring adequate resourcing for planning authorities and local authorities, and the need to ensure that supports are in place to enable faster development of housing projects that will increase supply in the housing market.

Accompanying the development of housing, there is a need to increase the number of public transport options for individuals, coupled with an increase in reliability and frequency. The progress of key public transport projects is pivotal to expanding the network of public transport options across Ireland. Notably, the advancement and delivery of DART+, BusConnects, MetroLink, and the Cork Light Rail system will

represent much needed progress in ensuring that people can travel without undue burden or difficulty, while the continuation of public transport fare reductions will further incentivise use of the public transport network.

Further, Ireland's competitiveness and productivity can be increased through adopting innovative policies with regard to education. Building on the success of the apprenticeship schemes, Ireland can diversify talent pipelines between the business community and the talent pool, this is particularly important in areas in which companies are experiencing skills gaps, allowing for these gaps to be closed while also offering individuals the opportunity to gain important industry experience.

### **AI & Digitalisation**

It is of paramount importance that Ireland maintains and deepens its leadership position as a digital regulatory hub within the European Union. As home to leading sectors and MNCs, driven by successful economic policy, Ireland occupies a unique position within the EU. Shaping legislation and regulations, in a manner that allows businesses to thrive, can unlock the potential of the business community and drive new economic success.

In this context it is vital that Ireland continues to lead the implementation of responsible, consistent and measured regulations that provide certainty to the business community while also encouraging innovation, growth and investment. Increased simplification can play a key role in reducing the regulatory and administrative burden on businesses, allowing for a more dynamic economy and will ensure continued economic and social advancements. Moreover, consistency of Government policy demonstrates that Ireland is a positive actor and will deliver greater investment opportunities. Further, a cross-Departmental unit tasked with reviewing existing legislation, identifying simplification opportunities, and ensuring future legislation aligns with the goals of increasing Ireland's competitiveness and productivity, utilising a whole-of-Government approach to achieve regulatory solution to compliance processes. As a digital regulation leader and by harnessing the knowledge and expertise that exist in Ireland, further progress can be achieved through Government-industry understanding and cooperation.

Fostering a whole-of-economy view across all Government Departments can drive new investment streams through innovative approaches, notably this includes facilitating regulatory bodies to contribute to the long-term economic growth of the country by providing increased certainty for businesses, reduced barriers to investment, and compliment Government commitments in the Programme for Government with regard to increasing Ireland's role as a regulatory hub.

Further changes to the regulatory landscape, in order to harness the positive role regulators can play in the development of Ireland's economy, include introducing formalised mechanisms through which various Irish regulators can engage with one another; increasing consistency and transparency within regulatory enforcement processes across the digital rulebook; and providing greater guidance for regulatory bodies in the context of exercising their functions, while serving the public interest. These measures will increase certainty, streamline administrative processes and resolve issues in a timely manner.

Timely transposition, and priority treatment of legislation in the context of the EU digital rulebook is an important step in maintaining Ireland's position as investment location. Delays in enacting legislation increases uncertainty, damages Ireland's international reputation, and importantly has direct ramifications for Ireland's objectives in relation to the EU's country of origin regulations which is fundamental to Ireland's attractiveness.

Building on the Government's efforts to digitalise services and supports offered by Government Departments, this digitalisation should remain a priority with a continued effort to review implementation and operational functionality of these systems in order to provide for the most efficient and effective administration of Government programmes and supports.

Encouraging the digitalisation of the economy will also require continued investment in supporting the adoption of new technologies and tools that enhance business productivity. This is particularly important for the SME sector where skills gaps may exist with regard to digitalisation. Through the Department's leadership in this area, Ireland's business community can drive growth and innovation across the island.

The increasing role of AI presents an opportunity for Ireland to take a leadership position within the European Union. In a recent AmCham survey of members, 96% of respondents said that EU investment in AI was an important factor in maintaining Ireland's position as an investment destination, while 51% said it was extremely or very important. In the same survey, when asked how important Ireland's position as a

regulatory hub within the EU to Ireland becoming a leader in digital and AI and maintaining its position as a destination of choice for investment, 94% of respondents said that it was important, while 60% said it was extremely or very important.

As efforts to digitalise the economy and invest in AI technology advance, it is important that the Government continues to invest in cybersecurity across all sectors. Ensuring robust and resilient cybersecurity defences are in place and that the National Cyber Security Centre is resourced and strengthened, will provide greater confidence to the business community that investments can be protected against cyber threats.

## **RD&I**

It is vital that Ireland develops an ever more vibrant culture of research, development and innovation, and that necessary supports are put in place to enhance Ireland's reputation as a premier location for RD&I projects.

Enhancing Ireland's research and development tax credit rate to 35% is a key mechanism to boosting the incentives to industry to conduct projects within the state. Through innovative approaches the Government can provide a range of measures that will encourage greater investment and lead to increased competitiveness. This includes allowing related party R&D expenditure within a new subcontracting cap of 100 percent and recognising agency staff costs as internal R&D expenditure. Further, support for R&D talent through relocation incentives, providing greater clarity and shorter timelines with regard to the administration of the R&D tax credit, and facilitating a greater role in the for industry to engage with universities and research institutions, will result in a more dynamic and robust RD&I environment in Ireland.

Introducing increased supports for PhD programmes and candidates will further increase the opportunity for both university and research institutions, and provide for a stronger talent pool within the RD&I sector, deepening cooperation between industry and academia.

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## Connectivity

Ireland's critical connectivity infrastructure requires continued, year-on-year investment to sustain and enhance the Irish economy's offering to FDI. This not only provides for greater societal benefits but also provides a clear roadmap for businesses when developing investment strategies. The review of the National Development Plan must be coupled with clear funding strategies that provide clarity for priority projects that are vital to Ireland's continued competitiveness and productivity.

As a global hub for pharmaceutical manufacturing, and with increasing international competition for investment, it is critical that Ireland maintains supply chain excellence, with direct impacts on multiple sectors. Further, development of targeted policies to incentivise further investment in cold chain storage technology, particularly with regard to capital expenditure investments will be pivotal to developing robust supply chains capable of meeting future demand and facilitating future growth.

Increasing connectivity across the island of Ireland, will enable greater investment opportunities and strengthen supply chains within the economy. The development of regional airports to drive economic growth is a key step to ensuring that connectivity is enhanced in Ireland. By enhancing the capacity at regional airports including, Cork, Donegal, Kerry, Knock, and Shannon, Ireland can develop greater supply chains that enable businesses to grow and attract greater investment and talent attractiveness. Moreover, the easing of restrictions on Dublin Airport, such as the passenger cap, can allow these vital pieces of transport and trade infrastructure to maximize productivity and realise their economic potential. The restrictive nature of the passenger cap at Dublin airport has a direct impact on large volume export sectors, such as the pharmaceutical sector and preventing further growth. It is important that a review of infrastructural investment strategies is conducted with the aim of identifying and mitigating risks; and delivering sustainable economic growth.

Similarly, the development of our national ports to build capacity for greater trade and regional development, including that of the energy sector, will prove to be a significant measure that unlocks Ireland's capabilities and allows businesses to expand. As with other infrastructural policy, there is a need for increased clarity and certainty to be provided by Government, with regard to the level of investment and project timelines, allowing businesses to plan ahead and develop their Irish operations. Maximising such investments can only be achieved in the context of business' confidence in



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infrastructural project outcomes, with regular reviews of targets and timelines, and key performance indicators in built to Government-led projects, greater confidence can be achieved and built upon.

Ireland's road network plays a significant role in the transport of goods and services, forming a critical aspect of the supply chain, by investing in road infrastructure, maintaining existing routes and enhancing the road network through the introduction of new connections, Ireland can further the ability of its supply chains and increase its international standing as an area that can reliably strengthen supply chains into to the future.