



Investing in Ireland

Issue 51, June 2022

Welcome to the June 2022 edition of PwC's newsletter on foreign direct investment ("FDI") in Ireland.

Ireland's economy continues to show strong resilience which is reflected by the encouraging number of Irish job and investment announcements over the past few months (see page 2).

We look at the ever-growing collaborative relationship between Ireland and the US arising from their committed investments and economic relations (see page 4).

This edition also explains the Irish Government's new trade strategy "Value for Ireland, Values for the World" with its aim of further growing Ireland's business environment into a flexible and innovative hub for FDI, indigenous businesses and Irish citizens (see page 5).

We highlight some recent publications and podcasts

released by PwC on topical issues for FDI (see page 6). Ireland also continues to maintain its number one ranking in a key number of areas for FDI investors in our Economic Update (see page 7).

Please do not hesitate to contact myself, any member of our team, or your usual PwC Ireland contact at any stage. We would be happy to tell you more about the topics raised in this issue or to include any interested parties on our mailing list.

Remember to visit our FDI website for more updates and detailed information [HERE](#) including a range of recent publications.



Liam Diamond

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liam.diamond@pwc.com
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Recent FDI investment announcements

Amcor, a global leader in developing and producing responsible packaging solutions, has announced an investment in new thermoforming capabilities for medical packaging in its healthcare packaging facility in County Sligo. The multi-million-euro investment is expected to double the revenue of the site, increase the site's footprint and create approximately 75 new jobs.

Biomerics, a leading vertically integrated medical device contract manufacturer serving the interventional device market, has announced its expansion into Ireland with the opening of a Centre of Excellence in Galway creating over 40 jobs over the next 5 years. The new facility will be their first in Europe.

Boston Scientific Corporation, a global leader in medical device technology, has recently unveiled a new €100 million expansion of its operations at Ballybrit, County Galway. The expansion is expected to create 300+ jobs in the coming years and includes over 40,000 square feet of medical device manufacturing space that will be powered by renewable energy sources.

Ericsson, one of Ireland's largest software development employers, has announced plans to hire 250 people at its Research and Development Centre in Athlone. The roles will be created over the next three years and will provide opportunities for roles in software development, data science, architecture and engineering. Ericsson has had its Research and Development Centre in Athlone since 1979 and currently employs 1,200 people.

Guidewire, a US software company, recently announced that it has opened its new EMEA headquarters 10 years after the company opened its first office in Dublin. The announcement will create over 150 hybrid roles, this is in addition to its current 450 staff across its existing Irish operations.

Integrity, a leading global IT consultancy company in the life sciences industry, has opened a new International Operations Centre in County Tipperary which will also be the company's European

headquarters. The new facility will create multiple roles in areas such as IT project management, service management and quality and compliance.

Janssen Sciences Ireland, a multinational pharmaceutical company, recently announced an expansion of its biopharmaceutical supply chain facility in Ringaskiddy, County Cork. The €150m investment in the facility has the potential to create 180 new full-time jobs. The announcement follows a €300m investment in its Ringaskiddy manufacturing facilities in 2017.

MarketStar, the global leader in outsourced sales and B2B revenue acceleration, has secured a location for their EMEA headquarters in Dublin's Central Park business district. The company plans to create up to 300 new jobs over the next 3 years, bringing its Dublin-based team to 500 people by 2025.

Merck, a leading science and technology company, has announced its plans to invest more than €440 million in its manufacturing facility in Carrigtwohill, County Cork and to build a new manufacturing facility in Blarney, County Cork. The investment will create over 370 permanent jobs by the end of 2027. The expansion project will also focus on energy efficiency, water consumption and waste treatment in line with their goal to be carbon neutral by 2040.

PublicRelay, a US communications analytics and advisory firm, has announced plans to establish a media analytics centre in Waterford City creating approximately 40 jobs over the next two years.

Remitly Global, Inc., a leading digital financial services provider for immigrants and their families, has announced it will increase its existing operations in Cork, creating approximately 120 jobs over the next six months.

Shippo, a leading shipping platform for growing e-commerce businesses, announced further corporate expansion in Ireland – including the creation of 120 highly-skilled jobs – through the opening of a new European R&D Centre in Dublin.



Signify Health, a leading US value-based healthcare platform that leverages advanced analytics, technology, and nationwide healthcare provider networks, has announced the opening of a new technology centre that is expected to create more than 125 new technology innovation roles in Galway during the next two years.

Supermetrics, a Helsinki SaaS data integration tool provider that automates resource-consuming data delivery, has opened a new Dublin office as an expansion of its Dublin operations. The investment will create up to 100 new roles over the next 2 years and will strengthen the company's international presence and service.

Takeda Ireland, a patient focused, values based and R&D driven biopharmaceutical company, has recently celebrated the opening of a cell therapy production facility at its Grange Castle site in Dublin. There are over 100 people currently working at the cell therapy facility with another 100 new jobs to be filled over the next three years.

Waystone, the leading provider of institutional governance, risk, administration and compliance services to the asset management industry, announced that it is to substantially increase its Ireland-based workforce by creating up to 100 additional new roles in Cashel, Co. Tipperary.

Workday, Inc., a leader in enterprise cloud applications for finance and human resources, recently announced that it intends to create 1,000 new jobs over the next two years at its European headquarters in Dublin, increasing its Ireland-based workforce by approximately 60%.



“You know, Ireland is a unique place. It gives us a chance to attract the best talent in the industry. It's an optimistic place where we can think about technology and innovation. I think it will serve a crucial role not just in Europe, but helping drive transatlantic partnership. And so as a company we're very committed”.

Sundar Pichai, CEO of Alphabet

“Ireland is a major location for BioMarin and we are very proud of what we have achieved in this country over the last 10 years. Patients across the globe are supported with therapies manufactured here in Ireland - this is an important era in the development of therapies for rare disease patients around the world, and our Irish Commercial and Manufacturing operations will play a key role in that success. The sculpture is a daily reminder of our connection back to the patients, to our environment and to each other.”

Jim Lennertz, Senior Vice President and head BioMarin International Limited EMEA Commercial Operations

Our presence in Dublin, and the incredible talent we've been able to hire here, have been critical components of our innovation and customer service efforts – both core values at Workday. We see great opportunity ahead as we help some of the world's largest organisations with their digital transformation efforts, including how they adapt to change, plan for the future, and support their employees in the changing world of work,”

Chano Fernandez, Co-CEO, Workday.



Ireland/US Business

The American Chamber of Commerce (“AmCham”) in Ireland recently published its annual flagship report, “US-Ireland Business 2022” which discusses the importance of the US-Ireland trade and investment relationship and illustrates why the long-standing commitment between the two countries is stronger than ever.

In the report, the economist Joseph Quinlan looks at the long-term view of the Irish-US economic partnership and notes how foreign direct investment and the deeply integrated ties between the countries will contribute to the wider economic recovery following Covid-19 and going forward. He also highlights why Ireland continues to excel when it comes to attracting the investment of some of the United States’ largest and most innovative companies, noting that it’s not one factor, but many factors that draw foreign direct investment to Ireland, such as the following:

Ireland’s economy is strong and the OECD expects the economy to grow by 5.7% this year which is well above the global average of 4%.

Ireland’s young, educated workforce remains a key attraction. According to the OECD, Ireland has one of the most educated workforces in the world, with roughly 53% of workers between the age of 25-34 having a third level education qualification. This is almost 10% higher than the OECD average.

As the only common-law English speaking country in the European Union, Ireland now acts as the main bridge between the US and Europe, making Ireland the ideal location for companies to base their global teams.

Ireland has a competitive and transparent corporation tax regime and an attractive research and development ecosystem of proven innovation capacity and incentives.

The report also emphasises the reciprocity of the economic relationship and notes that Irish investment in the US is also at an all-time high with over 700 Irish firms having a base in the US, employing 100,000 people. The economic activity of Irish businesses presence in the US offers a host of benefits to the US and US workers in terms of investment and employment and demonstrates why the continued success of the relationship is indispensable for both countries.

- Almost 900 US companies are located in Ireland
- More than 190,000 people are employed by US companies in Ireland
- US companies invest €6.5bn each year on capital expenditure in Ireland
- Over 700 Irish companies have a US base
- More than 100,000 people are employed by Irish companies in the US
- Irish companies employ people across all 50 states in the US
- Ireland is the 9th largest source of US FDI

Irish Government Trade Strategy - ‘Value for Ireland, Values for the World’

The Irish Government has recently announced the publication of a new trade and investment Strategy for Ireland namely “Value for Ireland, Values for the World”. The Strategy contains seven key priority actions with international trade and investment being the main areas of focus.

This new Strategy will aim to promote and enhance Ireland’s broader economic trade and investment ‘ecosystem’. The Government recognises that Ireland requires a dynamic and innovative business environment to allow entrepreneurs to thrive and to assist with attracting international investment opportunities. The new Trade Strategy recognises the role of the Irish Government in addressing and prioritising these areas in order to enhance Ireland’s competitiveness in the marketplace, attract FDI into Ireland, grow Irish-owned business and maintain a high standard of living for its citizens.

In conjunction with the “Value for Ireland, Values for the World” new Trade Strategy, an expert group on Global Value Chains and Supply Chains will be established and will be tasked with identifying and examining global supply chain opportunities and threats. Ireland’s growing agility and adaptability to global supply opportunities and threats will be instrumental in retaining and attracting FDI in Ireland in the coming years.

The Irish government also plans to introduce an annual “Trade Mission Week”. This initiative will see various Ministerial departments and State agencies in Ireland collaborating with the aim of enhancing Ireland’s existing profile as an attractive destination for FDI. This will serve to build on Ireland’s current strong international reputation as a leading supplier of international goods and services.

This strategy plans to highlight the abundance of our free trade agreements and tax treaties network to businesses. Ireland’s commitment to free trade and the single market have been key pillars in attracting FDI and growing Irish exports. The EU has 41 free trade agreements spanning over 70 countries globally, the largest such network worldwide. The Irish government estimates that almost half of the entire

Irish workforce, approximately 1.3 million people, are employed as a result of international trade. Ireland is committing to promote the benefit of foreign trade agreements to Irish exporters and importers, and ensuring access to Irish and EU information on how Irish companies can easily trade with partner countries.

Overall, the new Strategy and the initiatives outlined will provide further confirmation to businesses that Ireland is a world leading trade environment where international investment opportunities can excel for many years to come.



Publications and podcasts

Tax Facts 2022

Our essential, comprehensive guide to Irish tax has been released for 2022 which provides an overall summary of Irish tax rates and an overview of the Irish tax system and tax policies as updated by Finance Act 2021.

[For more information please see here.](#)

Debt Equity Bias Reduction Allowance Directive (“DEBRA”)

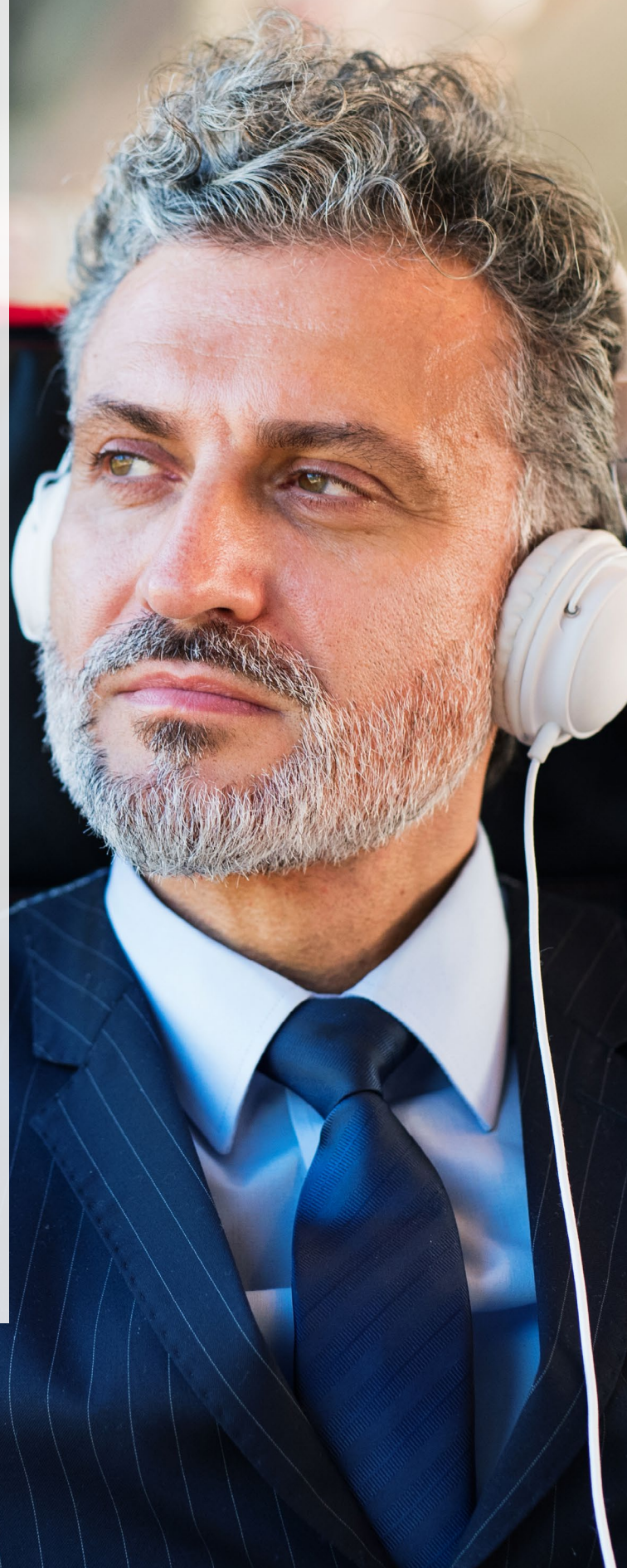
The EU Commission recently published plans to introduce a new EU Directive to introduce a debt-equity bias reduction allowance (DEBRA), including a limitation of the tax deductibility of exceeding borrowing costs. The proposed allowance will allow companies to deduct a notional allowances for costs relating to equity financing from its taxable profits.

[More information can be found here.](#)

Embracing the ‘S’ in ESG

Our latest publication on ESG outlines how the social element of ESG can create opportunities for companies to communicate their ESG goals to its community. Please see the publication here.

[Please see the publication here.](#)



Economic update

- Irish economy measured by GDP grew by 13.5% in 2021
- The Irish economy is expected to grow 5.4% in 2022 and 4.4% in 2023
- In 2021 Ireland recorded the highest increase in FDI employment in a single year.

- Dublin is ranked in 4th place overall as one of the lead “European cities of the future” according to the Financial Times’s FDI Intelligence
- Ireland ranks 5th in the EU in the 2021 edition of the Digital Economy and Society Index (DESI).
- Ireland is the 5th greenest country in MIT Technology Review’s Green Future Index
- Ireland is ranked 7th globally among 165 independent states according to Economist Intelligence’s Democracy Index 202.
- Ireland is ranked in the top 10 countries for gender equality
- Ireland has set a target to reduce carbon emissions by 50% by 2030
- Ireland has the highest level of STEM graduates per capita in EU
- Ireland is the 13th happiest nation according to the UN sponsored ‘World Happiness Report’
- Ireland is ranked 24th among 190 economies for ease of doing business, according to the latest World Bank annual ratings

1st in World for:

- Real GDP growth¹
- Knowledge Diffusion & Knowledge Impact 1

1st in Europe for:

- Paying business taxes²
- Friendliest city in the EU (Galway)³
- Artificial Intelligence⁴
- Youngest population⁵
- Fastest growing population⁵

1st in the Eurozone for:

- Quality of life⁶
- Small European cities of the future (Cork City)⁷

1 IMD World Competitiveness Yearbook 2021

2 PwC/World Bank Group “Paying Taxes” Report 2020

3 Condé Nast Traveller Reader Travel Awards 2020

4 AI in EU Enterprises, Eurostat Report 2021

5 Facts about Ireland 2021, IDA Ireland

6 UNDP Human Development Index

7 Global Cities of the Future 2021/22 – FDI Intelligence



Would you like to know more?

Should any of the topics covered in this newsletter be of particular interest to you, please do not hesitate to contact any member of the FDI team, or your usual PwC Ireland contact. If any of your colleagues would like to be included on our mailing list, please let us know.

Please click on our website for additional information. Various topics of interest for foreign investors can be found in the publications link in the tax section, including:

[Tax Facts 2022](#)

[Budget 2022](#)

[Brexit](#)

[CEO Survey](#)

[Previous issue of Investing in Ireland](#)



Contacts

Liam Diamond
liam.diamond@pwc.com

Jean Delaney
jean.delaney@pwc.com

Brian Leonard
brian.a.leonard@pwc.com

Denis Harrington
denis.harrington@pwc.com

Andy O'Callaghan
andy.ocallaghan@pwc.com

Mary Honohan
mary.honohan@pwc.com

Susan Kilty
susan.kilty@pwc.com

Ronan MacNioclais
ronan.macnioclais@pwc.com

Joe Tynan
joe.tynan@pwc.com

James McNally
james.o.mcnally@pwc.com

John O'Leary
john.oleary@pwc.com

Feargal O'Rourke
feargal.orourke@pwc.com

Garrett Cronin
garrett.cronin@pwc.com



pwc

www.pwc.ie/fdi

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