Ireland

RISK & COMPLIANCE REPORT

DATE: March 2018

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Executive Summary	
Sanctions:	None
FAFT list of AML Deficient Countries	No
Higher Risk Areas	Conduit for Offshore Financial Centre
Medium Risk Areas	US Dept of State Money Laundering Assessment

Major Investment Areas:

Agriculture - products:

barley, potatoes, wheat; beef, dairy products

Industries:

pharmaceuticals, chemicals, computer hardware and software, food products, beverages and brewing; medical devices

Exports - commodities:

machinery and equipment, computers, chemicals, medical devices, pharmaceuticals; food products, animal products

Exports - partners:

US 18%, UK 17.4%, Belgium 15.6%, Germany 8.4%, Switzerland 5.8%, France 5% (2012)

Imports - commodities:

data processing equipment, other machinery and equipment, chemicals, petroleum and petroleum products, textiles, clothing

Imports - partners:

UK 40%, US 13.2%, Germany 7.6%, Netherlands 5.6% (2012)

Investment Restrictions:
The Irish Government actively promotes foreign direct investment (FDI), a strategy that has fueled economic growth since the mid-1990s. The principal goal of Ireland's investment promotion has been employment creation, especially in technology-intensive and high-skill industries. More recently, the Government has focused on Ireland's international

competitiveness by encouraging foreign-invested companies to enhance research and development (R&D) activities and to deliver higher-value goods and services.

There are no restrictions, de jure or de facto, on participation by foreign firms in government-financed and/or -subsidized R&D programs on a national basis. In fact, the government strongly encourages and incentivizes foreign companies to conduct R&D as part of a national strategy to build a more knowledge-intensive, innovation-based economy.

Contents

Section 1 - Background

Celtic tribes arrived on the island between 600 and 150 B.C. Invasions by Norsemen that began in the late 8th century were finally ended when King Brian BORU defeated the Danes in 1014. English invasions began in the 12th century and set off more than seven centuries of Anglo-Irish struggle marked by fierce rebellions and harsh repressions. A failed 1916 Easter Monday Rebellion touched off several years of guerrilla warfare that in 1921 resulted in independence from the UK for 26 southern counties; six northern (Ulster) counties remained part of the UK. In 1949, Ireland withdrew from the British Commonwealth; it joined the European Community in 1973. Irish governments have sought the peaceful unification of Ireland and have cooperated with Britain against terrorist groups. A peace settlement for Northern Ireland is gradually being implemented despite some difficulties. In 2006, the Irish and British governments developed and began to implement the St. Andrews Agreement, building on the Good Friday Agreement approved in 1998.

Section 2 - Anti – Money Laundering / Terrorist Financing

FATF status

Ireland is not on the FATF List of Countries that have been identified as having strategic AML deficiencies

Compliance with FATF Recommendations

The last Mutual Evaluation Report relating to the implementation of anti-money laundering and counter-terrorist financing standards in Ireland was undertaken by the Financial Action Task Force (FATF) in 2017. According to that Evaluation, Ireland was deemed Compliant for 10 and Largely Compliant for 16 of the FATF 40 Recommendations.

Key Findings

Ireland has a generally sound legislative and institutional AML/CFT framework. In recent years, Ireland has put in place measures to improve its understanding of risks and national coordination and cooperation is a strong point of the Irish AML/CFT system. While a substantial level of effectiveness has been demonstrated in a number of areas, further measures and resources are required for a fully effective AML/CFT system that is commensurate with the risks faced in Ireland.

National coordination mechanisms such as the Anti-Money Laundering Steering Committee (AMLSC), the Cross Departmental International Sanctions Committee (CDISC) and the Private Sector Consultative Forum (PSCF) were fruitful in broadening the understanding of its ML and TF risks across all relevant agencies and with the private sector. Ireland's first National Risk Assessment (NRA), published in October 2016, takes into account a wide range of inputs in assessing vulnerabilities and threats. While Ireland appears to have a strong understanding of ML risks based on domestic crime, more could be done to clearly identify Ireland's international ML risks, particularly considering that Ireland is a highly interconnected economy and with a large financial sector in relation to GDP. The NRA could be further supported by quantitative data.

Ireland covers a comprehensive range of reporting entities for the purposes of its AML/CFT system. However there are some technical deficiencies in relation to PEPs, correspondent banking and higher risk jurisdictions. Supervisors are aware of the relevant ML/TF risks and were able to demonstrate that they are taking a risk-based approach to supervision. While the Central Bank of Ireland (CBI) is performing well in supervising financial institutions (FIs) in Ireland, the Department of Justice and Equality (DoJE) who supervises some of the higher-risk DNFBP sectors are under-resourced.

The private sector's understanding of ML/TF risks is mixed. Members of the PSCF tended to have a better understanding of risks and were able to discuss the issues in the NRA, whereas other private sector participants tend to have a more basic appreciation. The private sector appeared to have a close relationship with supervisors and law enforcement (particularly the

FIU) and assessors were of the view that with time and further outreach activities already planned by the authorities, the level of understanding should improve.

Ireland has a single police force whose role includes crime and security matters. The FIU is embedded within the police force. Issues relating to the abilities and resources of the FIU identified in the last mutual evaluation of Ireland persist, including its lack of sophisticated IT software which means that there are limits on its ability to undertake strategic analysis. That said, law enforcement agencies demonstrated that they appreciated the importance of financial intelligence and routinely used it in predicate crime investigations and in asset confiscation. The integrated nature of the Irish police force appears to mitigate the technical issues faced by the FIU. In addition, at the time of the on-site visit, Ireland had taken actions to strengthen the IT capacity and prioritised measures to access further financial analysis expertise (by hiring additional forensic accountants). Ireland has also indicated that they intend to put in place mechanisms to protect the independence of the FIU. These actions will not only enhance Ireland's operational capabilities, but also enhance its understanding of ML risks.

Ireland has a strong legislative framework for pursuing ML; however this has not translated to results at the trial stage. This may reflect reluctance on behalf of prosecutors to test the AML laws or a conservative approach by the judiciary which in turn acts as a disincentive to investigate complex ML cases. Ireland has not fully demonstrated an ability to identify, investigate and prosecute a wide range of ML activity including, in relation to foreign predicate offences and third-party ML. Considering Ireland's position as a regional and international financial centre, more analysis and action by authorities of complex, professionally-enabled ML schemes was expected. While Ireland has had some success in guilty pleas for ML, assessors were concerned that there have been no convictions for ML after a trial.

Ireland has a strong legislative and institutional framework for asset confiscation, with a multiagency Criminal Assets Bureau (CAB), which can target criminal proceeds through non-conviction based asset forfeiture, tax assessment and social welfare assessments. While asset confiscation initiatives have strong political and national support, the value of criminal proceeds confiscated and forfeited appear modest for a jurisdiction that pursues confiscation of criminal proceeds as a national priority and operates a post-conviction based and non-conviction based regime. The Office of the Director of Public Prosecutions (DPP)'s post - conviction based results also appear modest and warrant consideration.

Irish authorities are experienced in dealing with domestic terrorism issues and have also shown an understanding of international TF issues. However, even with this experience and strong interagency coordination mechanisms, Ireland has had no prosecutions or convictions for TF.

Ireland's system for targeted financial sanctions is generally sound, however deficiencies in the EU system mean that assets are not frozen without delay and further work needs to be done to implement proportional measures in relation to NPOs vulnerable to TF abuse. As with AML issues, national coordination on targeted financial sanctions is strong.

Ireland's understanding of the ML/TF risks associated with gatekeepers and vulnerabilities associated with legal persons and arrangements requires, and is receiving, further attention. Measures to increase access to beneficial ownership are in the process of being strengthened and should be a priority considering international risks in this area.

Irish authorities were able to demonstrate that they cooperate internationally on ML and TF issues. There is a significant upward trend in the number of requests for assistance received and made by Ireland, and the presence of significant ISP companies in the jurisdiction will impact on international cooperation and resourcing for Ireland significantly in the next decade.

Risks and General Situation

Ireland is an important regional and international financial centre, and is among the IMF's 29 systematically important financial centres. Ireland's funds and insurance sectors are well developed and have strong international links.

Ireland has identified its main ML/TF threats as organised crime groups and former local paramilitary groups whose activities relate to drug trafficking, human trafficking and migrant smuggling, fuel laundering, and fraud (including VAT fraud).

Domestically, although decreasing, cash continues to be an important part of the domestic economy and cash-intensive sectors such as dealers in high value goods, money remittance and currency exchange, as well as retail banks, pose vulnerabilities for ML/TF. Internationally, the financial sector, particularly the investment funds sector is seen as a vulnerable area for ML. Complex ownership structures and reliance on third-parties to undertake customer due diligence complicates the identification of beneficial ownership and could hide potential money laundering schemes. Gatekeepers also play an important role in this process. Payment institutions, which utilise Ireland as a base to "passport" to the rest of Europe through an extensive network, further increase the need for a close supervision of the sector.

Ireland explained that as a result of their efforts to target domestic terrorist groups' funding sources, the groups' methods have evolved, from funding their activities through cigarette and fuel smuggling, and violent crimes such as robbery, to "lower" risk activities (for the terrorist groups) such as self-funding, taxation/extortion, and collection of funds from community gatherings. Irish authorities do not see a significant TF risk related to international terrorism, particularly when compared to other European jurisdictions. But Irish authorities acknowledge that such risks do exist and that only small amounts (from both legitimate and illegitimate sources) are needed to support TF. There are only a small number of returned foreign fighters (in the low double digits). While there is little evidence to show any coordinated approach to fundraising in support of terrorism, there are some areas of concern in relation to the collection of charitable funds within the community and the use and transfer of funds by charities/NPOs to conflict zones, which the authorities will continue to monitor.

US Department of State Money Laundering assessment (INCSR)

Ireland was deemed a Jurisdiction of Concern by the US Department of State 2016 International Narcotics Control Strategy Report (INCSR).

Key Findings from the report are as follows: -

Perceived Risks:

Ireland continues to be a significant European financial hub, with a number of international banks and fund administration firms located in Dublin's International Financial Services Center. These institutions are monitored and regulated by the Central Bank of Ireland (CBI). The primary sources of funds laundered in Ireland are cigarette smuggling, drug trafficking, diversion of subsidized fuel, domestic tax violations, prostitution, and welfare fraud. Irish authorities estimate up to 80 percent of suspicious transaction reports (STRs) that can be linked to predicate crimes involve funds derived from domestic tax violations and social welfare fraud. While money laundering occurs via financial institutions, illicit funds also are laundered through schemes involving remittance companies, lawyers, accountants, used car dealerships, the purchase of high-value goods for cash, transferring funds from overseas through Irish credit institutions, filtering funds via complex company structures, and by basing foreign or domestic real property sales in Ireland.

A number of cash seizures have occurred at Dublin International Airport. Customs authorities have intercepted cash being smuggled out of Ireland, likely proceeds from drug trafficking. According to Irish authorities, currency intercepted on outbound passengers also may be intended for the purchase of drugs and/or cigarettes for smuggling back to Ireland.

DO FINANCIAL INSTITUTIONS ENGAGE IN CURRENCY TRANSACTIONS RELATED TO INTERNATIONAL NARCOTICS TRAFFICKING THAT INCLUDE SIGNIFICANT AMOUNTS OF US CURRENCY; CURRENCY DERIVED FROM ILLEGAL SALES IN THE U.S.; OR ILLEGAL DRUG SALES THAT OTHERWISE SIGNIFICANTLY AFFECT THE U.S.: NO

CRIMINALIZATION OF MONEY LAUNDERING:
"All serious crimes" approach or "list" approach to predicate crimes: All serious crimes
Legal persons covered: criminally: YES civilly: YES

KNOW-YOUR-CUSTOMER (KYC) RULES:
Enhanced due diligence procedures for PEPs: Foreign: YES Domestic: YES KYC covered entities: Banks, building societies, the Post Office, stock brokers, credit unions, money exchangers, life insurance companies, insurance brokers, trust and company service providers, private gaming clubs, and lawyers

REPORTING REQUIREMENTS:
Number of STRs received and time frame: 18,302 in 2014
Number of CTRs received and time frame: Not available
STR covered entities: Banks, building societies, the Post Office, stock brokers, credit unions, money exchangers, life insurance companies, insurance brokers, trust and company service providers, private gaming clubs, and lawyers

MONEY LAUNDERING CRIMINAL PROSECUTIONS/CONVICTIONS:
Prosecutions: 10 in 2014
Convictions: 13 in 2014

RECORDS EXCHANGE MECHANISM:
With U.S.: MLAT: YES Other: YES
With other governments/jurisdictions: YES

Ireland is a member of the FATF.

ENFORCEMENT AND IMPLEMENTATION ISSUES AND COMMENTS

The Government of Ireland continues to strengthen its AML/CFT framework. The Department of Justice and Equality (DJE) established an AML/CFT Policy Coordination Unit in September 2015 to coordinate the DJE AML/CFT policy. DJE has responsibility for a number of non-financial sectors that are recognized as being at risk of money laundering and terrorist financing, to include charities or nonprofit entities, trust or company service providers, dealers in high- value goods, and property service providers.

A CBI report in November 2015 on 'Anti-Money Laundering, Countering the Financing of Terrorism and Financial Sanctions Compliance in the Irish Funds Sector' identifies additional steps firms in the sector should take to effectively manage money laundering/terrorist financing risk. Irish-domiciled funds have a net asset value of almost €1.8 trillion (approximately $1.97 trillion), making the industry a significant part of the financial services sector. Among the matters identified by the CBI is insufficient evidence that the requirements of the Criminal Justice Act of 2010 are being implemented and that adequate risk assessments are being performed in a "timely manner." Weaknesses in the submission of suspicious transaction reports (STRs) and associated record keeping are identified, along with deficiencies in monitoring non- resident politically exposed persons (PEPs), including the failure to identify, verify, and document the sources of funds and wealth.

There are no known impediments to asset sharing in Irish legislation. Arrangements can be made on a case-by-case basis.

Irish authorities should continue to work on money laundering enforcement. There are few money laundering prosecutions and convictions in comparison to the size of the Irish economy, number and type of predicate offenses, and the volume of financial intelligence reports filed.

Current Weaknesses in Government Legislation (2013 INCRS Comparative Tables):

According to the US State Department, Ireland does not conform with regard to the following government legislation: -

Arrangements for Asset Sharing - By law, regulation or bilateral agreement, the jurisdiction permits sharing of seized assets with third party jurisdictions that assisted in the conduct of the underlying investigation.

EU White list of Equivalent Jurisdictions

Ireland is on the EU White list of Equivalent Jurisdictions

World Governance indicators

To view historic Governance Indicators Ctrl + Click here and then select country

Failed States Index

To view Failed States Index Ctrl + Click here

Offshore Financial Centre

Dublin is considered to be a location where some Offshore Financial Services are available

Reports

US State Dept Narcotics Report

No report available

US State Dept Trafficking in Persons Report 20164 (introduction):

Ireland is classified a Tier 1 country - a country whose government fully complies with the Trafficking Victims Protection Act's (TVPA) minimum standards.

Ireland is a destination and source country for women, men, and children subjected to sex trafficking and forced labor—including forced criminal activity. Foreign trafficking victims identified in Ireland are from Africa, Asia, and Eastern Europe. During the reporting period, law enforcement reported an increase in suspected victims of sex trafficking and forced labor, forced criminal activity, and forced begging. Authorities reported an increase in suspected victims from Nigeria and Romania. Irish children are subjected to sex trafficking within the country. Victims of forced labor have been identified in domestic service, the restaurant industry, and car washing services. Undocumented migrant workers are at higher risk of being subjected to labor trafficking. NGOs indicate Vietnamese and Chinese men who have been prosecuted and sentenced for cannabis cultivation report indicators of forced labor, such as document retention, restriction of movement, and non-payment of wages. Media reports claimed undocumented Ghanaian, Filipino, Egyptian, and Indian migrant fishermen endure conditions possibly indicative of forced labor, including debt bondage, such as document retention, restriction of movement, and non-payment of wages, dangerous working conditions, and verbal and physical abuse. Some domestic workers, primarily women, are at risk of labor trafficking. Trafficking for forced marriage is a newly recognized phenomenon; women from Eastern Europe are subjected to sex trafficking and trafficking for forced marriage. The government acknowledged the problem of forced labor in the country is growing.

The Government of Ireland fully meets the minimum standards for the elimination of trafficking. During the reporting period, the government increased investigations of trafficking crimes, although it has not convicted a trafficker under the 2008 anti-trafficking law since 2013. The government continued to prosecute a high number of non-trafficking crimes as trafficking cases, including child molestation cases, and neither prosecuted nor convicted sex or labor traffickers under the 2008 anti-trafficking law in 2015. Authorities maintained victim identification and protection efforts. However, law enforcement's continued failure to identify suspected victims of forced criminal activity and their subsequent prosecution and imprisonment within the Irish court system remained a serious concern.

US State Dept Terrorism Report 2016

Overview: The United States and Ireland worked reasonably well in bilateral and regional counterterrorism, law enforcement, and information sharing efforts. An Garda Síochána (the local and national police service of Ireland, referred to as Garda in this report) has comprehensive law enforcement, immigration, investigative, intelligence, and counterterrorism responsibilities.

In 2016, dissident republican groups, sometimes referred to as criminal terrorist groups by the Irish Department of Justice, perpetrated acts of violence in neighboring Northern Ireland. Authorities traced some violent acts committed in Northern Ireland by members of dissident groups to support to persons living in Ireland. Attacks were often directed at Northern Ireland's law enforcement personnel and security structures to disrupt ongoing post-peace process community rehabilitation efforts. Irish authorities worked to address these legacy issues stemming from "The Troubles" and were actively involved in dealing with transnational terrorism issues. Major Garda successes in disrupting the activities of such groups and infighting between dissident factions appeared to have diminished the threat of domestic terrorism.

Ireland is a member of the Global Coalition to Defeat ISIS.

Legislation, Law Enforcement, and Border Security: The Criminal Justice Act of 2015 created three offenses relating to preparatory terrorist activities: public provocation to commit a terrorist offense, recruitment, and training. The legislative bill transposed into Irish law a European Union (EU) Council Framework Decision on counterterrorism. The Act specifically recognizes that terrorist-linked activities may be committed electronically. Upon conviction, such offenses would carry prison sentences of up to 10 years.

Law enforcement units have effectively demonstrated their capacity to detect, deter, and respond to terrorist incidents. The Garda Special Branch provides specialized law enforcement capability and has primary responsibility for counterterrorism response, with the military performing specific functions when requested by the civil authorities. The Irish Defense Ministry's 2015 "White Paper on Defense" outlines Ireland's defense policy framework for the next decade, aimed at addressing increased security challenges. It featured a streamlined response to terrorism with the Government Taskforce on Emergency Planning reviewing terrorism threat assessments received from Garda.

Irish law provides for a non-jury Special Criminal Court (SCC) when the Director of Public Prosecutions certifies a case to be beyond the capabilities of an ordinary court.

No successful terrorist attacks occurred in 2016. Nevertheless, the bomb squad mobilized 86 times due to possible improvised explosive device (IED) incidents, 14 of which involved viable IEDs that Irish Army Explosive Ordnance Disposal (EOD) technicians rendered safe. Statistics for 2016 mark a 39 percent mobilization decrease and a 65 percent reduction in viable IEDs over the prior year.

Ireland worked closely with the United Kingdom (UK) on border security, including sharing biographic and biometric information. The Irish Naturalization and Immigration Services in conjunction with Dublin Airport Authority uses automated border control gates for some flights at Dublin Airport. These electronic gates allow certain categories of arriving passengers holding a passport with an electronic chip, which contains the holder's facial image, to clear immigration controls through electronic self-service means. The Government of Ireland was active in highlighting the need to share Passenger Name Records (PNR) on EU flights. Ireland is working to implement the EU Directive on the processing of PNR data, which will require the establishment of relevant domestic legislation that outlines the measures to establish and operate a PNR processing system.

Countering the Financing of Terrorism: Ireland is a member of the Financial Action Task Force (FATF), and its financial intelligence unit, the Bureau of Fraud Investigation, is a member of the Egmont Group of Financial Intelligence Units. Over the past five years, Ireland has made significant improvements to improve regulations on supervision of the financial sector and non-financial service providers. Ireland has yet to transpose the fourth EU Money Laundering Directive into Irish law.

In 2016, law enforcement authorities continued to monitor non-profit organizations for the purpose of monitoring breaches of criminal law; however, Ireland had still not fully implemented the Charities Act of 2009, which regulates the activities of charities and non-profit organizations.

The July 2016 enactment of the Proceeds of Crime Act 2016 provides Criminal Assets Bureau (CAB) officers with the power to seize property for 24 hours that they suspect to be the proceeds of crime. The Chief Bureau Officer can authorize its detention for a further 21 days. This allows CAB to prepare an application to the High Court for an interim restraining order and prevent the disposal or dissipation of the property in the meantime.

International Sanctions

None applicable

Bribery & Corruption

Index	Rating (100-Good / 0-Bad)
Transparency International Corruption Index	74
World Governance Indicator – Control of Corruption	93

Corruption is not an obstacle for foreign investors operating in Ireland, although companies continue to experience bribery risks at the local level in relation to public procurement and the issuing of building permits. The Prevention of Corruption Act forbids any individual to give or accept a bribe, including to foreign public officials. A company can be found liable for corrupt acts committed by individuals working on its behalf, and companies registered under the Irish Companies Act can be prosecuted for foreign bribery offences. Facilitation payments are prohibited, and gifts and hospitality are considered illegal if provided 'corruptly'. Irregular payments and bribes almost never occur in business dealings. The government is currently implementing reforms aimed at increasing administrative transparency, accountability and anti-corruption standards after the national Tribunals of Inquiry found evidence throughout Ireland's public administration of conflicts of interest, corruption and collusion between politicians and businesspeople. The Criminal Justice (Corruption) Bill is awaiting enactment; it promises to replace existing laws with a single anti-corruption law, to increase corruption penalties and to require companies to prevent corruption. **Information provided by GAN Integrity.**

US State Department

Corruption is not a serious problem for foreign investors in Ireland. The principal Irish legislation relating to anti-bribery and corruption includes the Public Bodies Corrupt Practices Act, 1889; the Prevention of Corruption Act, 1906; the Prevention of Corruption Act, 1916; and the Prevention of Corruption (Amendment) Act, 2001. This body of law makes it illegal for Irish public servants to accept bribes. The Ethics in Public Office Act, 1995, provides for the written annual disclosure of interests of people holding public office or employment.

The law on corruption in Ireland was strengthened by the enactment of the Prevention of Corruption (Amendment) Act, 2001, which gave effect in domestic law to the OECD Anti-Bribery Convention and two other conventions concerning criminal corruption and corruption involving officials of the European Communities and officials of EU member states. The legislation has ensured that there are strong penalties in place, up to 10 years imprisonment and an unlimited fine, for those found guilty of offenses under the Act, including convictions of bribery of foreign public officials by Irish nationals and companies which takes place outside of Ireland. Ireland signed the UN Convention on Corruption in December 2003 and ratified it in 2011. Ireland is also a participating member of the OECD Working Group on Bribery.

The Irish police investigate allegations of corruption. If sufficient evidence of criminal activity is found, the Director of Public Prosecutions prepares a file for prosecution. A small number of public officials have been convicted of corruption and/or bribery in the past. Two recent reports from Tribunals of Inquiry - Mahon and Moriarty- detailed corrupt practices by political and business figures from 1970-1996.In 1996, Ireland established a Criminal Asset Bureau, an independent body responsible for seizing illegally acquired assets. The CAB was established with powers to focus on the illegally acquired assets of criminals involved in serious crime. The aims of the CAB are to identify the criminally acquired assets of persons and to take the appropriate action to deny such people of these assets. This action is taken primarily through the application of the Proceeds of Crime Act, 1996. Ireland is a member of the Camden Asset Recovery Inter-Agency Network (CARIN).

Corruption and Government Transparency - Report by Global Security

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The Irish police investigate allegations of corruption. If sufficient evidence of criminal activity is found, the Director of Public Prosecutions prepares a file for prosecution. A small number of public officials have been convicted of corruption and/or bribery in the past, although it is not a common occurrence. Two recent reports from Tribunals of Inquiry - Mahon and Moriarty- detailed corrupt practices by political and business figures in the 1970 to 1996 period.

Section 3 - Economy

Ireland is a small, modern, trade-dependent economy. Ireland was among the initial group of 12 EU nations that began circulating the euro on 1 January 2002.

GDP growth averaged 6% in 1995-2007, but economic activity dropped sharply during the world financial crisis and the subsequent collapse of its domestic property market and construction industry. Faced with sharply reduced revenues and a burgeoning budget deficit from efforts to stabilize its fragile banking sector, the Irish Government introduced the first in a series of draconian budgets in 2009. These measures were not sufficient to stabilize Ireland’s public finances. In 2010, the budget deficit reached 32.4% of GDP - the world's largest deficit, as a percentage of GDP. In late 2010, the former COWEN government agreed to a $92 billion loan package from the EU and IMF to help Dublin recapitalize Ireland’s banking sector and avoid defaulting on its sovereign debt. In March 2011, the KENNY government intensified austerity measures to meet the deficit targets under Ireland's EU-IMF bailout program.

In late 2013, Ireland formally exited its EU-IMF bailout program, benefiting from its strict adherence to deficit-reduction targets and success in refinancing a large amount of banking-related debt. In 2014, the economy rapidly picked up and GDP grew by 5.2%. The recovering economy assisted lowering the deficit to 2.5% of GDP. In late 2014, the government introduced a fiscally neutral budget, marking the end of the austerity program. Continued growth of tax receipts has allowed the government to lower some taxes and increase public spending while keeping to its deficit-reduction targets. In 2015, GDP growth reached 7.8%, the highest growth in the EU for the second consecutive year.

In the wake of the collapse of the construction sector and the downturn in consumer spending and business investment, the export sector, dominated by foreign multinationals, has become an even more important component of Ireland's economy. Ireland’s low corporation tax of 12.5% and a talented pool of high-tech labourers have been key factors in encouraging business investment. Loose tax residency requirements made Ireland a common destination for international firms seeking to avoid taxation. Amid growing international pressure, the government announced it would phase in more stringent tax laws, effectively closing a loophole.

Agriculture - products:

barley, potatoes, wheat; beef, dairy products

Industries:

pharmaceuticals, chemicals, computer hardware and software, food products, beverages and brewing; medical devices

Exports - commodities:

machinery and equipment, computers, chemicals, medical devices, pharmaceuticals; foodstuffs, animal products

Exports - partners:

US 23.7%, UK 13.8%, Belgium 13.2%, Germany 6.6%, Switzerland 5.5%, Netherlands 4.4%, France 4.4% (2015)

Imports - commodities:

data processing equipment, other machinery and equipment, chemicals, petroleum and petroleum products, textiles, clothing

Imports - partners:

UK 32.5%, US 14%, France 10.2%, Germany 9.3%, Netherlands 4.9%, China 4.1% (2015)

Banking

The Irish financial system has experienced a series of changes over the past decade. New legislation has been introduced to allow more competition between different types of financial services organizations. Consequently, a very sophisticated banking environment exists which offers many sources of financing to organizations doing business in Ireland. The banking system operates on a basis similar to that in the UK, mainly due to the physical proximity of the two countries and the high volume of mutual trade. In broad terms, the sources of financing can be classified into two groups: a) financing and financial services available directly from banks, building societies, and other financial institutions, and b) financing available through financial markets, such as the Irish Stock Exchange (ISE).

The role of the Central Bank of Ireland traditionally has been similar to that of central banks in other developed countries. Established under the Central Bank Act of 1942, the Central Bank manages the country's banking and monetary system and controls credit. In addition, it acts as adviser and banker to the Irish government. Its primary objective since 1998, in discharging its function as part of the European System of Central Banks, has been to maintain price stability across the Euro-zone. In April 2002, the Central Bank became a financial regulator, through two autonomous subsidiaries. First, the Irish Monetary Authority handles monetary policy and serves as the Irish arm of the European Central Bank (ECB). Second, the Irish Financial Services Regulatory Authority supervises Irish financial institutions and handles regulation of the insurance industry, as well as consumer protection issues within the financial sector.

In Ireland there are several forms of banking institutions. First, commercial banks are classified as "licensed banks" and "state sponsored banks," and these provide all general banking services, including comprehensive current account services. Second, licensed banks are subsidiaries and affiliates of the main clearing banks, and tend to concentrate on specific types of banking business: examples include wholesale and corporate banking, installment credit and leasing, capital market activities and, particularly for banks in the International Financial Services Center (IFSC), international and investment banking. Third, state owned financial institutions provide a broad range of retail and business banking services, with a particular emphasis on the agricultural sector – ACC Bank is the sole bank of this sort – though the financial crisis meant that Anglo-Irish Bank was nationalized as well. Fourth, building societies are mutual organizations with ownership vested in shareholders that have deposits in investment and savings share accounts, and along with the clearing banks, they are the principal institutions providing finance for house purchase.

The unprecedented crisis of 2008-2009 resulted in new regulatory measures and government-led supports for the banking sector.

Stock Exchange

At the end of September 2010, equity market capitalization in the Irish Stock Exchange (ISE) was €45 billion, almost unchanged from the end-2009 level. In terms of market weight, the stocks of CRH (a construction industry supplier), Ryanair (a low-cost airline) and Kerry Group (a food and ingredient firm) are dominant. From 2002 to 2006, the ISE delivered returns of between 19 and 28 percent each year. However, driven in part by concerns over possible spillover effects from the sub-prime crisis in the United States, its market capitalization started to fall in 2007. This continued through 2009 as the Irish banking crisis evolved and the market capitalization of bank stocks plummeted. In 2005, the ISE opened up a secondary market - the Irish Enterprise Exchange (IEX), which caters to smaller firms with a minimum market cap of 5 million euro.

Section 4 - Investment Climate

Executive Summary

The Irish government actively promotes foreign direct investment (FDI) and has had considerable success in attracting U.S. investment, in particular. Currently, there are approximately 700 U.S. subsidiaries in Ireland operating primarily in the following sectors: chemicals, bio-pharmaceuticals and medical devices, computer hardware and software, electronics, and financial services.

One of Ireland's most attractive features as an FDI destination is its low corporate tax rate, which has remained at 12.5 percent since 2003. The regime is also relatively simple, as the reported effective tax rate is 12.4 percent. Other factors cited by foreign firms include: the quality and flexibility of the English-speaking workforce, availability of a multi-lingual labor force, cooperative labor relations, political stability, pro-business government policies and regulators, a transparent judicial system, transportation links, proximity to the United States and Europe, and the drawing power of existing companies operating successfully in Ireland (a "clustering" effect).

All firms incorporated in Ireland are treated on an equal basis; Ireland's judicial system is transparent and upholds the sanctity of contracts, as well as laws affecting foreign investment. Conversely, factors that negatively affect Ireland's ability to attract investment include: high labor and operating (such as energy) costs, skilled-labor shortages, eurozone risk, any residual fallout from Ireland's ongoing economic and financial restructuring, sometimes-deficient infrastructure (such as in transportation, energy and internet/broadband), uncertainty in European Union policies on some regulatory matters, and absolute price levels that are among the highest in Europe.

There is no formal screening process for foreign investment in Ireland, though investors looking to receive government grants or assistance through one of the four state agencies responsible for promoting foreign investment in Ireland are often required to meet certain employment and investment criteria.

Ireland uses the euro as its national currency and enjoys full current and capital account liberalization.

Secured interests in property, both chattel and real estate, are recognized and enforced. Ireland is a member of the World Intellectual Property Organization (WIPO) and a party to the International Convention for the Protection of Intellectual Property.

There are a number of state-owned enterprises (SOEs) in Ireland in the energy, broadcasting and transportation sectors. All of Ireland's SOEs are open to competition for market share.

The United States and Ireland do not have a Bilateral Investment Treaty, but have shared a Friendship, Commerce, and Navigation Treaty, which provides for national treatment of U.S. investors, since 1950. The two countries also share a Tax Treaty since 1998 which was supplemented in December 2012 with an agreement to improve international tax compliance and to implement the U.S. Foreign Account Tax Compliance Act (FATCA).

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2014	17 of 175	transparency.org/cpi2014/results
World Bank's Doing Business Report "Ease of Doing Business"	2015	17 of 189	doingbusiness.org/rankings
Global Innovation Index	2015	8 of 143	globalinnovationindex.org/content/page/data-analysis
U.S. FDI in partner country ($M USD, stock positions)	2015	311	www.cso.ie
World Bank GNI per capita	2014	$46,550	data.worldbank.org/indicator/NY.GNP.PCAP.CD

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

The Irish government actively promotes foreign direct investment (FDI), a strategy that has fueled economic growth since the mid-1990s. The principal goal of Ireland's investment promotion has been employment creation, especially in technology-intensive and high-skill industries. More recently, the government has focused on Ireland's international competitiveness by encouraging foreign-owned companies to enhance research and development (R&D) activities and to deliver higher-value goods and services.

The Irish government's actions have achieved considerable success in attracting U.S. investment, in particular. As of year-end 2014, the stock of U.S. foreign direct investment in Ireland stood at USD 311 billion, more than the U.S. total for China, India, Russia, Brazil, and South Africa (the BRICS countries) combined. There are approximately 700 U.S. subsidiaries currently in Ireland employing roughly 140,000 people and supporting work for another 250,000, out of a total of 1.98 million people employed in a labor force of 2.17 million. U.S. firms operate primarily in the following sectors: chemicals, bio-pharmaceuticals and medical devices, computer hardware and software, electronics, and financial services.

U.S. investment has been particularly important to the growth and modernization of Irish industry over the past 25 years, providing new technology, export capabilities, management and manufacturing best practices, as well as employment opportunities. U.S. firms in Ireland have activities that span from the manufacturing of high-tech electronics, computer products, medical devices, and pharmaceuticals to retailing, banking, finance, and other services. In more recent years, Ireland has also become an important research and development center for U.S. firms in Europe, and a magnet for U.S. internet/digital media investment, with industry leaders like Google, Amazon, eBay/Paypal, Facebook, Twitter, LinkedIn, and Electronic Arts making Ireland the hub of their respective European, and sometimes Middle Eastern, African, and/or Indian operations.

U.S. companies are attracted to Ireland as an exporting sales and support platform to the European Union (EU) and other global markets, mainly the Middle East and Africa. Other reasons for Ireland's attractiveness as an FDI destination include: a 12.5 percent corporate tax rate for domestic and foreign firms and simple tax regime, the quality and flexibility of the English-speaking workforce, availability of a multi-lingual labor force, cooperative labor relations, political stability, pro-business government policies and regulators, a transparent judicial system, transportation links, proximity to the U.S. and Europe, and the drawing power of existing companies operating successfully in Ireland (a "clustering" effect).

Conversely, factors that negatively affect Ireland's ability to attract investment include: high labor and operating (such as energy) costs, skilled-labor shortages, eurozone risk, any residual fallout from Ireland's ongoing economic and financial restructuring, sometimes-deficient infrastructure (such as in transportation, energy and internet/broadband), uncertainty in EU policies on some regulatory matters, and absolute price levels that are among the highest in Europe. The Irish government has expressed concern that energy costs and the reliability of energy supply could undermine Ireland's attractiveness as an FDI destination. The American Chamber of Commerce in Ireland has noted the need for greater attention to a "skills gap" in the supply of Irish graduates to the high technology sector, and has also asserted that high personal income tax rates can make attracting talent from abroad difficult.

In December 2013, Ireland became the first country in the eurozone to exit an EU/ECB/IMF (Troika) bailout program. Compliance with the Troika's terms came at a substantial economic cost, in the form of GDP stagnation, austerity measures and chronically high unemployment. The economy has since recovered and was the fasting growing economy in the EU in 2015, with a growth rate of 7.8 percent. Meanwhile, government initiatives to attract investment are helping to stimulate employment. With unemployment numbers dropping, there is a resurgent interest in Ireland as an investment destination. A number of recent successful sales of government bonds on sovereign debt markets appear to exemplify renewed international confidence in Ireland's recovery.

Other Investment Policy Reviews

The Economist Intelligence Unit and World Bank's Doing Business 2015 provide current information on Ireland's investment policies.

Laws/Regulations on Foreign Direct Investment

One of Ireland's most attractive features as an FDI destination is its low corporate tax rate. Since 2003, the headline corporate tax rate for both foreign and domestic firms has been 12.5 percent. The tax regime is also relatively simple, as the reported effective tax rate is 12.4

percent. Ireland's headline corporate tax rate is among the lowest in the EU, and the Irish government continues to oppose proposals to harmonize taxes at a single EU rate. In October 2014, the government announced that firms would no longer be able to incorporate in Ireland without also being tax resident. Prior to this change, firms could incorporate in Ireland and be tax resident elsewhere and could use an arrangement commonly known as the “Double Irish” to reduce tax liabilities. The Irish government has indicated it will adhere to future decisions reached through the OECD’s Base Erosion and Profit Sharing (BEPS) discussions. The government implemented a Knowledge Development Box, effective in 2016, which is reportedly consistent with OECD guidelines.

All firms incorporated in Ireland are treated on an equal basis. With only a few exceptions, there are no constraints preventing foreign individuals or entities from ownership or participation in private firms/corporations. The most significant of these exceptions is that, as with other EU countries, Irish airlines must be at least 50 percent owned by EU residents in order to have full access to the single European aviation market. Citizens of countries other than Ireland and other EU member states can acquire land for private residential or industrial purposes. Under Section 45 of the Land Act, 1965, all non-EU nationals must obtain the written consent of the Land Commission before acquiring an interest in land zoned for agricultural use. There are many stud farms and racing facilities in Ireland that are owned by foreign nationals in such areas. No restrictions exist on the acquisition of urban land.

Ireland's judicial system is transparent and upholds the sanctity of contracts, as well as laws affecting foreign investment. These laws include:

- The Companies Act 2014, which contains the basic requirements for incorporation in Ireland;
- The 2004 Finance Act, which introduced tax incentives to encourage firms to set up headquarters in Ireland and to conduct R&D;
- The Mergers, Takeovers and Monopolies Control Act of 1978, which sets out rules governing mergers and takeovers by foreign and domestic companies;
- The Competition (Amendment) Act of 1996, which amends and extends the Competition Act of 1991 and the Mergers and Takeovers (Control) Acts of 1978 and 1987, and sets out the rules governing competitive behavior; and,
- The Industrial Development Act of 1993, which outlines the functions of IDA Ireland.

The Companies Act, with more than 1,400 sections and 17 Schedules, is the largest-ever Irish statute, consolidating and reforming Irish company law for the first time in over 50 years.

In addition, there are numerous laws and regulations pertaining to employment, social security, environmental protection and taxation, with many of these keyed to EU Directives, and Ireland has a Foreign Account Tax Compliance Agreement (FATCA) agreement in force with the U.S.

Business Registration

All firms must register with the Companies Registration Office (www.cro.ie). As well as registering companies, the CRO also can register a business/trading name, a non-Ireland based foreign company (external company), or a limited partnership. A company registered under the Companies Act 2014 becomes a body corporate as and from the date mentioned in its certificate of incorporation. While the website permits online data submission, it must be supplemented by a paper copy with relevant signatures unless the company has already registered at www.revenue.ie (the tax collecting authority).

Industrial Promotion

The following six government departments and organizations currently promote investment into Ireland by foreign companies:

- The Industrial Development Authority of Ireland (IDA Ireland) has overall responsibility for promoting and facilitating FDI in all areas of the country, except the Shannon Free Zone (see below). IDA Ireland is also responsible for attracting foreign companies to Dublin's International Financial Services Center (IFSC). IDA Ireland maintains seven U.S. offices in New York; Boston, MA; Chicago, IL; Mountain View, CA; Irvine, CA; Atlanta, GA; and Austin, TX as well as multiple offices in Europe and Asia.

- Enterprise Ireland promotes joint ventures and strategic alliances between indigenous and foreign companies. The agency also assists foreign firms that wish to establish food and drink manufacturing operations in Ireland. EI has four offices in the United States: New York; Austin, TX; Boston, MA; and Mountain View, CA.

- Shannon Group (formerly the Shannon Free Airport Development Company) promotes FDI in the Shannon Free Zone (see description below) and owns properties in the Shannon region as potential green-field investment sites. Under the 2006 Industrial Development Amendments Act, responsibility for investment by Irish firms in the Shannon region was transferred from the Shannon Group to Enterprise Ireland. IDA Ireland remains responsible for FDI in the Shannon region outside the Shannon Free Zone.

- Udaras na Gaeltachta (Udaras) has responsibility for economic development in those areas of Ireland where Irish (Gaeilge) is the predominant language and works with IDA Ireland to promote overseas investment in these regions.

- Department of Foreign Affairs and Trade has responsibility for economic messaging and supporting the country's trade promotion agenda as well as Diaspora engagement to attract investment.

- Department of Jobs, Enterprise, and Innovation supports the creation of good jobs by promoting the development of a competitive business environment in which enterprises will operate with high standards and grow in sustainable markets.

Limits on Foreign Control and Right to Private Ownership and Establishment

There are no barriers to participation by foreign entities in the sale of state-owned Irish companies, as seen, for example, in the purchase by U.S. investors of shares of the formerly state-owned national airline Aer Lingus during its privatization. Residents of Ireland, however, may be given priority in share allocations to retail investors, as was the case with the state-owned telecommunications company Eircom when it was privatized in 1998. The government privatized Aer Lingus in 2005 through a stock market flotation but retained about a one-quarter stake in the airline. In 2015, the International Airlines Group (IAG) made purchased the government's remaining stake in the airline.

Irish law does not prevent foreign corporations (registered under the Companies Act 2014 or previous legislation and known locally as a public limited company, or plc for short) from conducting business in Ireland. Any company incorporated abroad that establishes a branch must, however, file certain papers with the Registrar of Companies. A foreign corporation with a branch in Ireland will have the same standing in Irish law for purposes of contracts, etc., as a company incorporated in Ireland. Private businesses are not at a competitive disadvantage to public enterprises with respect to access to markets, credit, and other business operations.

Citizens of countries other than Ireland and other EU member states can acquire land for private residential or industrial purposes. Under Section 45 of the Land Act, 1965, all non-EU nationals must obtain the written consent of the Land Commission before acquiring an interest in land zoned for agricultural use. There are many equine stud farms and racing facilities in such areas that are owned by foreign nationals. No restrictions exist on the acquisition of urban land.

Privatization Program

While Ireland does not have a formal privatization program, the government agreed in 2010, as part of its Troika bailout program, to privatize some of its state-owned and semi-state owned enterprises. The government nominated but has not yet sold some non-strategic elements of Ervia (formerly Bord Gais Eireann (BGE) - the gas supply company) while it also indicated that it may sell the electricity generating arm of Electric Ireland, the electricity supply company. (See "State-Owned Enterprises" below.)

Screening of FDI

There is no formal screening process for foreign investment in Ireland, though investors looking to receive government grants or assistance through one of the four state agencies responsible for promoting foreign investment in Ireland are often required to meet certain employment and investment criteria. These screening mechanisms are transparent and do not impede investment, limit competition, or protect domestic interests. Potential investors are also required to examine the environmental impact of the proposed project and to meet with Irish Environmental Protection Agency (EPA) officials.

Competition Law

The Competition Act of 2002, subsequently amended and extended by the Competition Act 2006, strengthens the enforcement power of the independent statutory agency, the Competition Authority. The Act also introduced criminal liability for anti-competitive practices, increased corporate liability for violations, and outlined available defenses. Most tax, labor, environment, health and safety, and other laws are compatible with EU regulations, and they do not adversely affect investment. Proposed laws and regulations are published in draft form for public comment, including by foreign firms and their representative associations. Bureaucratic procedures are transparent and reasonably efficient, in line with a general pro-business climate espoused by the government.

The Irish Takeover Panel Act of 1997 governs company takeovers. Under the Act, the "Takeover Panel" issues guidelines, or "Takeover Rules," which aim to regulate commercial behavior in the context of mergers and acquisitions. According to minority "squeeze-out" provisions in the legislation, a bidder who holds 80 percent of the shares of the target firm (or 90 percent for firms with securities on a regulated market) can compel the remaining minority shareholders to sell their shares.

There are no reports that the Irish Takeover Panel Act has been used to prevent foreign takeovers, and, in fact, there have been several high-profile foreign takeovers of Irish companies in the banking and telecommunications sectors in recent years. In 2006, for example, an Australian investment group, Babcock & Brown, acquired the former national telephone company, Eircom, and subsequently sold it to Singapore Technologies Telemedia in 2009. The EU Directive on Takeovers provides a framework of common principles for cross-border takeover bids, creates a level playing field for shareholders, and establishes disclosure obligations throughout the EU. The Directive was fully implemented through Irish legislation in May 2006, though many of its principles had already been enacted in the Irish Takeover Panel Act 1997.

2. Conversion and Transfer Policies

Foreign Exchange

Ireland uses the euro as its national currency and enjoys full current and capital account liberalization. Foreign exchange is easily obtainable at market rates. Ireland is a member of the Financial Action Task Force (FATF).

Remittance Policies

There are no restrictions or significant reported delays in the conversion or repatriation of investment capital, earnings, interest, or royalties, nor are there any announced plans to change remittance policies. Likewise, there are no limitations on the import of capital into Ireland.

3. Expropriation and Compensation

Private property is normally expropriated only for public purposes in a non-discriminatory manner and in accordance with established principles of international law. State condemnations of private property are carried out in accordance with recognized principles of due process.

Where there are disputes brought by owners of private property subject to a government action, the Irish courts provide a system of judicial review and appeal.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

The Irish legal system is based on the Irish Constitution, legislation, and common law.

Bankruptcy

The Companies Act 2014 is the most important body of law dealing with commercial and bankruptcy law and is applied consistently by the courts. Irish company bankruptcy laws give creditors a strong degree of protection.

Investment Disputes

There is no specific domestic body for handling investment disputes. The Irish legal system is based on the Irish Constitution, legislation, and common law. The Department of Jobs, Enterprise and Innovation (DJEI) has primary responsibility for drafting and enforcing company law. The judiciary is independent, and litigants are entitled to trial by jury in commercial disputes.

International Arbitration

ICSID Convention and New York Convention

Ireland is a member of the International Center for the Settlement of Investment Disputes (ICSID), and a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, meaning local courts must enforce international arbitration awards under appropriate circumstances.

Duration of Dispute Resolution – Local Courts

In recent years, some U.S. business representatives have occasionally called into question the transparency of government tenders. According to some U.S. firms, lengthy procedural decisions often delay the procurement tender process. There have been claims that unsuccessful bidders have had difficulty receiving information on the rationale behind the tender outcome. Additionally, some successful bidders have experienced delays in finalizing contracts, commencing work on major projects, obtaining accurate project data, and receiving compensation for work completed, including through conciliation and arbitration processes. Successful bidders have also subsequently found that the original tenders may not accurately describe conditions on the ground.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

The Irish government does not maintain any measures that are inconsistent with Trade-Related Investment Measures (TRIMs) requirements, nor have there been any allegations that the government maintains such measures.

Investment Incentives

Three Irish organizations -- IDA Ireland, Shannon Group, and Udaras -- currently have regulatory authority for administering grant aid to investors for capital equipment, land, buildings, training, R&D, etc. Foreign and domestic business enterprises that seek grant aid from these organizations must submit investment proposals. Typically, these proposals include information on fixed assets (capital), labor, and technology/R&D components, and establish targets using criteria such as sales, profitability, exports, and employment. This information is treated in confidence by the organizations, and each investment proposal is subject to an economic appraisal before support can be offered.

Performance requirements are generally based on employment creation targets established between the state investment agencies and foreign investors. Grant aid is paid out only after externally audited performance targets have been attained. Grant agreements generally have a repayment term of five years after the date on which the last grant is paid. Parent companies typically must also guarantee repayment of the government grant if the company closes before

an agreed period of time elapses, normally ten years after the grant has been paid. There are no requirements that foreign investors procure locally or allow nationals to own shares.

The current EU Regional Aid Guidelines (RAGs) that apply to Ireland are effective since January 1, 2007. The RAGs govern the maximum grant aid that the Irish Government can provide to companies, which depends on their location. The differences in the aid ceilings reflect the less developed status of business/infrastructure in regions outside the greater Dublin area.

While investors are free, subject to planning permission, to choose the location of their investment, IDA Ireland has encouraged investment in regions outside Dublin since the 1990s. This linkage was institutionalized in Irish government policy in 2001, officially seeking to spread investment more evenly around the country. The IDA's "Ireland Horizon 2020" strategy targets locating over 50 percent of all new FDI investments outside the two main urban centers, Dublin and Cork. To encourage the location of firms outside Dublin, IDA Ireland has developed "magnets of attraction," including: a Cross Border Business Park linking Letterkenny (in Ireland) with Derry (aka Londonderry, in Northern Ireland), a regional Data Center in Limerick, and the National Microelectronics Research Center in Cork. IDA Ireland has supported construction of business parks in Oranmore and Dundalk for the biotechnology sector.

Research and Development

There are no restrictions, de jure or de facto, on participation by foreign firms in government-financed and/or -subsidized R&D programs on a national basis. In fact, the government strongly encourages and incentivizes (via a partial tax break) foreign companies to conduct R&D as part of a national strategy to build a more knowledge-intensive, innovation-based economy. Science Foundation Ireland (SFI), the state science agency, has been responsible for administering Ireland's R&D funding since 2000. Under its current strategy, SFI is investing over USD 200 million annually in R&D activities. It is targeting leading researchers in Ireland and overseas to promote the development of biotechnology, information and communications technology, and energy, as well as complementary worker skills.

The U.S.-Ireland Research and Development Partnership, launched in July 2006, is a unique initiative involving funding agencies across three jurisdictions: the U.S., Ireland, and Northern Ireland (NI). Under the program, a 'single-proposal, single-review' mechanism is facilitated by the National Science Foundation (NSF) and National Institutes of Health (NIH) in the U.S. which accept submissions from tri-jurisdictional (U.S., Ireland, and NI) teams for existing funding programs. All proposals submitted under the auspices of the Partnership must have significant research involvement from researchers in all three jurisdictions. The program was expanded in 2015 to include agricultural research.

A key aspect of government support is a flexible 25 percent tax credit on the cost of eligible research, development and innovation (RDI) activity and of any building with a 35 percent RDI activity level over four years. A number of U.S. firms have already used these tax credits to build and operate R&D facilities.

Performance Requirements

Visa, residence, and work permit procedures for foreign investors are non-discriminatory and, for U.S. citizens (as investors or employees), generally liberal. There are no restrictions on the numbers and duration of employment of foreign managers brought in to supervise foreign investment projects, though their work permits must be renewed yearly. There are no discriminatory export policies or import policies affecting foreign investors.

Data Storage

The government does not follow forced localization nor does it require foreign IT providers to turn over source code and/or provide access to surveillance (e.g., backdoors into hardware and software, or encryption keys). There are no rules on maintaining minimum amounts of data storage in Ireland.

6. Protection of Property Rights

Real Property

Secured interests in property, both chattel and real estate, are recognized and enforced. The Department of Justice and Equality administers a reliable system of recording such security interests through the Property Registration Authority (PRA) and Registry of Deeds. The PRA registers a person's interest in property on a public register. In certain cases, this ensures that an owner's interest in property is documented and protected (by a State guarantee). Any property acquired after 2010 must be registered in the PRA. Ireland also operates a document registration system through the Registry of Deeds in which deeds (as distinct from titles) may be registered, priority obtained, and third parties placed on notice of the existence of documents of title. An efficient, non-discriminatory legal system is accessible to foreign investors to protect and facilitate acquisition and disposition of all property rights.

Intellectual Property Rights

Ireland is a member of the World Intellectual Property Organization (WIPO) and a party to the International Convention for the Protection of Intellectual Property. Legislation enacted in 2000 brought Irish intellectual property rights (IPR) law into compliance with Ireland's obligations under the WTO Trade-Related Intellectual Property Treaty (TRIPs). The legislation gave Ireland one of the most comprehensive legal frameworks for IPR protection in Europe. It addressed several TRIPs inconsistencies in prior Irish IPR law that had concerned foreign investors, including the absence of a rental right for sound recordings, the lack of an "anti-bootlegging" provision, and low criminal penalties that failed to deter piracy. The legislation provides for stronger penalties on both the civil and criminal sides; it does not include minimum mandatory sentencing for IPR violations.

As part of this comprehensive copyright legislation, revisions were also made to non-TRIPs conforming sections of Irish patent law. Specifically, the IPR legislation addressed two concerns of many foreign investors in the previous legislation:

- The compulsory licensing provisions of the previous 1992 Patent Law were inconsistent with the "working" requirement prohibition of TRIPs Articles 27.1 and the general compulsory licensing provisions of Article 31; and,
- Applications processed after December 20, 1991, did not conform to the non-discrimination requirement of TRIPs Article 27.1.

The government continues to crack down on the sale of illegal cigarettes smuggled into the country by both international and local organized criminal groups. Cigarettes in Ireland are heavily taxed, making illegal trade in counterfeit and untaxed cigarettes highly lucrative. Ireland has become the first European country and the second in the world (after Australia) to pass a plain packaging law for tobacco products. The Public Health (Standardized Packaging of Tobacco) Bill was signed into law on March 9th, 2015. In practice, tobacco packaging will be devoid of branding with health warnings covering nearly the entire box and only the producer/product name otherwise visible.

The Irish government enacted the EU Copyright and Related Rights Regulation 2012 into law in February 2012. The law makes it possible for copyright holders to seek court injunctions against companies such as internet service providers (ISPs) or social networks whose systems host copyright-infringing material. It is intended that the courts will ensure that any remedy provided will uphold the freedom of internet service providers, or ISPs, to conduct their business. The legislation ensures that an ISP cannot be mandated to carry out monitoring of the information it carries. It must also ensure that measures implemented are “fair and proportionate” and not “unnecessarily complicated or costly.” The law also states that fundamental rights of customers of an ISP must be respected by the court including their right to protection of their personal data and their freedom to receive or impart information.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO’s country profiles at http://www.wipo.int/directory/en/.

Resources for Rights Holders

Embassy Dublin contact:

Brian Jensen (to August 2016)
Kurt van der Walde (from September 2016)
Political/Economic Section Chief
American Embassy, Dublin, Ireland
Telephone: +353-1 630 6274
Email: JensenBD@state.gov
Email: VanderwaldeK@state.gov

Other contacts:

American Chamber of Commerce
6 Wilton Place
Dublin 2
Telephone: + 353 1 6616201

Fax: + 353 1 6616217
Email: info@amcham.ie
Website: www.amcham.ie

7. Transparency of the Regulatory System

The Irish government employs a transparent policy framework that fosters competition between private businesses in a non-discriminatory fashion. U.S. businesses can, in general, expect to receive national treatment in their dealings with the government.

In recent years, a number of independent bodies have taken over regulatory powers from government departments in key economic sectors. The Commission for Communications Regulation and the Commission for Energy Regulation are responsible for regulating the communications and energy sectors, respectively. Both have institutional links to the Department of Communications, Energy and Natural Resources but are autonomous. The Commission for Aviation Regulation, another autonomous body, regulates the aviation sector. The Commission is institutionally linked to the Department of Transport, Tourism and Sport which has direct regulatory powers over other segments of the transportation sector.

8. Efficient Capital Markets and Portfolio Investment

Capital markets and portfolio investments operate freely, and there is no discrimination between Irish and foreign firms. In some instances, development authorities and banks are able to facilitate loan packages to foreign firms with favorable credit terms. Credit is allocated on market terms. However, following the 2008 banking crisis there has been a limited amount of credit available, especially to small and medium-sized firms; it is not clear if this is driven more by lack of credit from banks or by lack of creditworthiness of SMEs. Irish legal, regulatory, and accounting systems are transparent and consistent with international norms and provide a secure environment for portfolio investment. The current capital gains tax rate is 33 percent (effective since December 2012).

Money and Banking System, Hostile Takeovers

The Irish banking sector, like many worldwide, came under intense pressure in 2007 and 2008 following the collapse of Ireland's construction industry and end of Ireland's property boom. Subsequently, it was determined that a number of Ireland's financial lenders were severely under-capitalized and required government bailouts to survive. The government introduced temporary guarantees to personal depositors in 2008 to ensure that deposits remained in Ireland and has continued these guarantees. One of the main banks involved in property lending, Anglo Irish Bank (Anglo), failed and had to be resolved by the government. The government took majority stakes in several others; two banks remain effectively nationalized as a result and the government owns a significant share of another. The government also created the National

Asset Management Agency (NAMA), into which the Irish banks (including Anglo) transferred most of their property-related loan books.

With increased exposure to bank debts, the government found it difficult to place sovereign debt on international bond markets and had to seek EU/ECB/IMF (Troika) assistance in November 2010. A rescue package of EUR 85 billion (EUR 67.5 billion of this from external sources) was agreed to cover government deficits and costs related to the bank recapitalizations. Following further government capitalization of Allied Irish Banks (AIB), effective control of the bank transferred to the Irish government by the end of 2010. Irish Nationwide Building Society (INBS) and Educational Building Society (EBS) were also taken into state control and resolved. The government also helped to re-capitalize Irish Life and Permanent (the banking portion of which was spun off and operates under the name Permanent TSB) and Bank of Ireland (BOI). The government, in line with IMF and EU bailout program recommendations, forced Irish banks to deleverage their non-core assets with a view to reducing Ireland's banks to simply servicing domestic demand. BOI succeeded in remaining non-nationalized by realizing capital from the sale of non-essential portfolios as well as targeted burden-sharing with some bondholders.

Ireland successfully exited the Troika program in December 2013, and shortly after was able to re-enter sovereign debt markets. Since then debt rates have fallen to record low for Irish debt and Ireland was able to fully repay IMF loans with bond sales secured at more attractive rates.

Many U.S. banks have operations in Dublin's International Financial Services Center (IFSC, which functions somewhat like a virtual business park for financial services firm) and provide a range of financial services to clients in Europe and worldwide. Among these are State Street, Citigroup, Merrill Lynch, Wells Fargo, JP Morgan and Northern Trust. While international banks operate within the IFSC, the regulation of the activities of banks operating there is carried out by the Irish Financial Regulator.

At the end of 2015, equity market capitalization (main securities market) in the Irish Stock Exchange (ISE) was USD 110 billion, up USD 7 billion from the end of 2014. In terms of market weight, the stocks of CRH (a construction industry supplier), Ryanair (a low-cost airline), Kerry Group (a food and ingredient firm), Tesco (supermarket group), and some other food-related firms continue to dominate. While the ISE delivered returns of over 20 percent annually from 2002 to 2006, its market capitalization started to fall in 2007. This fall was driven initially in part by concerns over possible spillover effects from the sub-prime crisis in the U.S. As the Irish banking and fiscal crisis evolved, the market capitalization of bank stocks plummeted. The markets began to stabilize in 2011. In 2005, the ISE opened up a secondary market—the Irish Enterprise Exchange (IEX)—which caters to smaller firms with a minimum market cap of EUR 5 million (USD 5.5 billion).

The Central Bank Reform Act of 2010, created a single unitary body — the Central Bank of Ireland (CBI) — responsible for both central banking and financial regulation. The new structure replaces the previous related entities, the Central Bank and the Financial Services Authority of Ireland, and the Financial Regulator. The CBI is a member of the European System of Central Banks (ECB), whose primary objective is to maintain price stability in the euro area.

Ireland is part of the eurozone, and therefore does not have an independent monetary policy. Rather, the European Central Bank (ECB) formulates and implements monetary policy for the eurozone; the CBI implements that policy at the national level. The Governor of the CBI is a member of the ECB's Governing Council and has an equal say as other ECB governors in the formulation of monetary and interest rate policy. The other main tasks of the CBI include: issuing euro currency in Ireland, acting as manager of the official external reserves of gold and foreign currency, conducting research and analysis on economic and financial matters, overseeing the domestic payment and settlement systems, and managing investment assets on behalf of the State.

9. Competition from State-Owned Enterprises

There are a number of state-owned enterprises (SOEs) in Ireland in the energy, broadcasting and transportation sectors. The two energy SOEs are Electric Ireland (EI) and Ervia (formerly Bord Gáis Eireann, (BGE)), while Raidió Teilifís Éireann (RTE) operates the national broadcasting (radio and television) service; and Córas Iompair Éireann (CIE) provides bus and train transportation throughout the country. Eircom, the national telecommunication service, and Aer Lingus, the national airline, have both been privatized. CIE remains wholly-owned by the government. Irish Water (which operates as a subsidiary of Ervia) was established in 2013 to serve as the state-owned entity to deliver water services to homes and businesses. Water meters have been installed around the country and the first charges for water service (which was previously funded out of general government revenue) were collected in April 2015.

All of Ireland's SOEs are open to competition for market share and can, as in the case of Electric Ireland and Ervia, compete with one another. The SOEs do not discriminate against, or place unfair burdens on foreign investors or foreign-owned investments. There has been a statutory transfer of responsibility for the regulatory functions for the energy sector from the government to the Commission for Energy Regulation – a statutory body that is required not to discriminate unfairly between participants in the sector, while protecting the end-user. In general, SOEs aspire to pay their own way, financing their operations and funding further expansion through profits generated from their own operations. Some pay an annual dividend to the government. The SOEs themselves are governed usually by a board of directors, some of whom are chosen by the government.

OECD Guidelines on Corporate Governance of SOEs

All SOEs are autonomous organizations, led by a senior management team. That team reports to a board of directors largely appointed by the government for a fixed term. Day-to-day policy and activities lie within the executive management without any political interference. SOE's are responsible to self-fund, often from commercial loans and bonds. They do this without government influence or interference.

Ireland follows the OECD Guidelines on Corporate Governance for SOEs. All SOEs must present annual reports to the government.

Sovereign Wealth Funds

The National Treasury Management Agency (NTMA) is the asset management bureau of the Irish government. In the past, the NTMA invested Irish government funds, such as the national pension funds, in financial instruments worldwide. Day-to-day funding for government operations is normally through the sale of sovereign debt worldwide, which is the responsibility of the NTMA. Upon entering the EU/IMF ("Troika") bailout program, Ireland was fully funded and so suspended issuing sovereign debt. Since exiting the bailout in 2013, the NTMA has been successful in placing Irish debt at new record low rates.

The NTMA also has oversight of the National Asset Management Agency (NAMA), the agency established to take on, and dispose of, the property-related loan books of bailed-out banks.

The government also created the Ireland Strategic Investment Fund (ISIF) with a statutory mandate to invest on a commercial basis to support economic activity and employment in Ireland. The dual objective mandate of the ISIF - investment return and economic impact - will require all of its investments to both generate both returns and have a positive (i.e., job-creating) economic impact in Ireland.

10. Responsible Business Conduct

There is a growing awareness of corporate social responsibility (CSR) in Ireland, mainly driven by a number of independent organizations and multinational corporations. According to "Business in the Community–Ireland," an organization at the forefront of promoting CSR in Ireland, many of the participant firms believe CSR-oriented policies can play a major role in rebuilding Ireland's corporate reputation. Companies advertise their participation in such programs as the Fairtrade Certification Mark. The American Chamber of Commerce also released in 2014 an interactive map of CSR activities by its member companies: http://www.amcham.ie/Socialimpactmap/

The Irish government published its National Action Plan on Corporate Social Responsibility in April 2014, as called for by the UN Working Group on Business and Human Rights. The plan outlines the government's commitment to encourage good business practices by Irish companies both domestically and internationally. The Plan also proposes the establishment of a Corporate Responsibility Stakeholder Forum to bring business, government departments, state agencies and community sectors together to drive action, create awareness and achieve the stated vision of corporate responsibility. As an adherent to the OECD Guidelines for Multinational Enterprises, Ireland has established a National Contact Point responsible for promoting CSR/RBC and facilitating mediation when complaints arise regarding a company not observing the Guidelines. Contact information for the NCP: http://mneguidelines.oecd.org/ncps/ireland.htm

11. Political Violence

Impact of Northern Ireland Instability

There has been no significant spillover of violence from Northern Ireland since the cease-fires of 1994 and the implementation of the Good Friday Agreement in 1998. Indeed, the growth of business investment and confidence in Northern Ireland following the cessation of widespread violence has also benefited Ireland. The 2007-2013 National Development Plan earmarked funding to develop cross-border cooperation on R&D collaboration, energy and transportation infrastructure linkages, and joint trade missions. No violence related to the situation in Northern Ireland has been specifically directed at U.S. citizens or firms located in Ireland. InterTrade Ireland is a cross-border body established to augment two-way trade on the island.

Other Acts of Political Violence

There have been some incidents of criminal terrorism and gangland violence attributed to cross-border groups involved in the black market. There is considerable Garda (Irish National Police) and Police Service Northern Ireland cooperation to stem this illegal activity. There have been no recent incidents involving politically motivated damage to foreign investment projects and/or installations in Ireland. There were two instances of damage to U.S. military assets transiting Shannon Airport, in 2003 and in 2011, by a small number of Irish citizens opposed to wars in Iraq and Afghanistan. Nonetheless, these anti-military acts have not found expression in acts against U.S. firms or private interests in Ireland.

12. Corruption

Corruption is not a serious problem for foreign investors in Ireland. The principal Irish legislation relating to anti-bribery and corruption includes the Public Bodies Corrupt Practices Act, 1889; the Prevention of Corruption Act, 1906; the Prevention of Corruption Act, 1916; and the Prevention of Corruption (Amendment) Act, 2001. This body of law makes it illegal for Irish public servants to accept bribes. The Ethics in Public Office Act, 1995, provides for the written annual disclosure of interests of people holding public office or employment.

The law on corruption in Ireland was strengthened by the enactment of the Prevention of Corruption (Amendment) Act, 2001, which gave effect in domestic law to the OECD Anti-Bribery Convention and two other conventions concerning criminal corruption and corruption involving officials of the European Communities and officials of EU member states. The legislation has ensured that there are strong penalties in place, up to 10 years imprisonment and an unlimited fine, for those found guilty of offenses under the Act, including convictions of bribery of foreign public officials by Irish nationals and companies that takes place outside of Ireland.

The Irish police investigate allegations of corruption. If sufficient evidence of criminal activity is found, the Director of Public Prosecutions prepares a file for prosecution. A small number of public officials have been convicted of corruption and/or bribery in the past. Two recent Tribunals of Inquiry - Mahon and Moriarty - detailed corrupt practices by political and business figures from 1970-1996. In 1996, Ireland established a Criminal Asset Bureau (CAB), an independent body responsible for seizing illegally acquired assets. The CAB was established with powers to focus on the illegally acquired assets of criminals involved in serious crime. The aims of the CAB are to identify the criminally acquired assets of persons and to take the appropriate action to deny such people of these assets. This action is taken primarily through the application of the Proceeds of Crime Act, 1996. Ireland is a member of the Camden Asset Recovery Inter-Agency Network (CARIN).

UN Anticorruption Convention, OECD Convention on Combatting Bribery

Ireland signed the UN Convention on Corruption in December 2003 and ratified it in 2011. Ireland is also a participating member of the OECD Working Group on Bribery.

Resources to Report Corruption

Government agency responsible for combating corruption:

Department of Justice and Equality, Crime and Security Directorate
94 St. Stephen's Green

Dublin 2
Telephone: + 353 1 602-8202
E-mail: info@justice.ie
Website: www.justice.ie

Contact at Transparency International:

John Devitt
Chief Executive
Transparency International
The Capel Building
Dublin 7
Telephone: +353 1 871 9432
E-mail: communications@transparency.ie

13. Bilateral Investment Agreements

Bilateral Taxation Treaties

Ireland has no formal bilateral investment treaties (BITs), including with other EU members or the United States.

The United States and Ireland have shared a Friendship, Commerce, and Navigation Treaty since 1950, which includes provisions common to BITs regarding national treatment, most-favored nation benefits, expropriation, and protection and security. The full text can be found here http://tcc.export.gov/Trade_Agreements/All_Trade_Agreements/exp_005438.asp.

Ireland and the U.S. share a Tax Treaty from 1998 which was supplemented in December 2012 with an agreement to improve international tax compliance and to implement the U.S. Foreign Account Tax Compliance Act (FATCA). http://www.irs.gov/pub/irs-trty/ireland.pdf

Ireland has signed comprehensive double taxation agreements with 72 countries, of which 70 are fully ratified and in effect. Agreements with some other countries are also being negotiated. These taxation agreements serve to promote trade and investment between Ireland and the partner countries that would otherwise be discouraged by the possibility of double taxation. The agreements generally cover corporate tax, income tax, and capital gains tax (direct taxes). The current list of agreements in effect, as of January 2016, is: Albania, Armenia, Australia, Austria, Bahrain, Belarus, Belgium, Bosnia & Herzegovina, Botswana, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Ethiopia, Estonia, Finland, France, Georgia, Germany, Greece, Hong Kong, Hungary, Iceland, India, Israel, Italy, Japan, Korea (Republic of), Kuwait, Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mexico, Moldova, Montenegro, Morocco, Netherlands, New Zealand, Norway, Pakistan, Panama, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, United Arab Emirates, Ukraine, United Kingdom, United States, Uzbekistan, Vietnam and Zambia.

In the absence of a bilateral tax treaty, provisions within the Irish Taxes Act allow unilateral credit relief against Irish taxation for taxes paid in the other country with respect to certain types of income, e.g., dividends and interest.

14. Foreign Trade Zones/Free Ports/Trade Facilitation

The Shannon duty-free Processing Zone (SDFPZ) was established by legislation in 1957. Under the legislation, eligible companies operating in the Shannon Free Zone are entitled to the following benefits: goods imported from non-EU countries for storage, handling or processing are duty-free; there is no duty on goods exported from Shannon to non-EU countries; no time limit exists on disposal of goods held duty-free; customs documentation and formalities are reduced; there is no value-added tax (VAT) on imported goods, including capital equipment; and importers have a choice of having import duty on non-EU product calculated on its landing value or selling price. Qualifying criteria for eligible companies include employment creation and export-orientation.

Foreign-owned firms in the Shannon Free Zone have the same investment opportunities as indigenous Irish companies. There are over 100 companies operating within the 254 hectare business park, including the following U.S. companies: Benex (Becton Dickinson), Connor-Winfield, Digital River, Enterasys Networks, Extrude Hone, GE Capital Aviation Services, GE Money, Sensing, Genworth Financial, Hamilton Sundtrand (United Technologies), Intel, Illinois Tool Works, Kwik-Lok, Lawrence Laboratories (Bristol Myers Squibb), Le Bas International, Magellan Aviation Services, Maidenform, Melcut Cutting Tools (SGS Carbide Tools), Mentor Graphics, Molex, Phoenix American Financial Services, RSA Security, Shannon Engine Support (CFM International), SPS International/Hi-Life Tools (Precision Castparts Corp), Sykes Enterprises, Symantec, Travelsavers Corp, Viking Pump, Western Well Tool, Xerox, and Zimmer. At present, the Shannon Free Zone is technically an asset of the Shannon Group.

15. Foreign Direct Investment and Foreign Portfolio Investment Statistics

U.S. and foreign companies with major foreign direct investments in Ireland include:

Abbott, Accenture, AdRoll, Adobe, Alcatel-Lucent/Bell Labs, Aldi, Alexion, Allianz, Amazon, Analog Devices, AOL, Apple, Aramark, Axa, BAM, Bank of America Merrill Lynch, Biotrin, BNY Mellon, Boots, Boston Scientific, BT, Citi, Dell, Dropbox, eBay, Eli Lilly, EMC, Ericsson, Etsy, Facebook, Fidelity, Generali, Gilead, Gilt Groupe, Google, Heineken, HP, IBM, Intel, Johnson & Johnson, Kellogg’s, Lidl, Liebherr, LinkedIn, Mastercard, McAfee, Medtronic, Microsoft, MSD (Merck Sharp & Dohme), Oracle, PayPal, Pfizer Qualtrics, Quantcast, Salesforce.com, Sanofi, SAP, ServiceSource, Servier, Siemens, State Street, Stream Global Services, Tesco, Teva, Twitter, UnitedHealth Group, United Technologies Research Centre, Vodafone, Waters, Yahoo!, Zeus and Zurich.

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Ireland Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	

Host Country Gross Domestic Product (GDP) ($M USD)	2014	$251,148	N/A	N/A	www.cso.ie
Foreign Direct Investment	Ireland Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country ($M USD, stock positions)	2014	N/A	2014	$310,598	BEA
Host country's FDI in the United States ($M USD, stock positions)	2014	N/A	2014	$16,195	BEA
Total inbound stock of FDI as % host GDP	N/A	N/A	2014	123.7	U.S. FDI stock in Ireland (2014) as a percent of GDP in 2014

* Department of Finance/CSO. Note: direct comparison of Irish government and USG FDI statistics is not possible because the CSO and U.S. Commerce Department utilize different base figures.

Table 3: Sources and Destination of FDI

Direct Investment from/in Ireland Economy Data					
From Top Five Sources/To Top Five Destinations *(US Dollars, Millions)*					
Inward Direct Investment			Outward Direct Investment		
Total Inward	378,202	100%	Total Outward	634,761	100%
Luxembourg	81,016	21%	Luxembourg	211,646	33%
Netherlands	74,742	20%	United Kingdom	94,688	15%
United Kingdom	52,516	14%	Bermuda	73,403	12%
U.S.	40,517	11%	U.S.	71,565	11%
Bermuda	27,702	7%	Netherlands	54,968	9%
"0" reflects amounts rounded to +/- USD 500,000.					

Table 4: Sources of Portfolio Investment

Portfolio Investment Assets - Ireland								
Top Five Partners (Millions, US Dollars)								
Total			Equity Securities			Total Debt Securities		
All Countries	2,373,200	100%	All Countries	932,469	100%	All Countries	1,410,731	100%
U.S.	642,849	27%	U.S.	290,328	30%	U.S.	352,522	25%
United Kingdom	425,567	18%	United Kingdom	127,276	13%	United Kingdom	298,291	21%
France	165,174	7%	Luxembourg	68,637	7%	France	128,693	9%
Italy	124,374	5%	Japan	68,050	7%	Italy	87,567	6%
Germany	115,486	5%	Germany	38,791	4%	Netherlands	85,513	6%

Section 5 - Government

Chiefs of State and Cabinet Members:

For the current list of Chief of State and Cabinet Members, please access the following - Central Intelligence Agency online directory of Chiefs of State and Cabinet Members of Foreign Governments

Legal system:

common law system based on the English model but substantially modified by customary law; judicial review of legislative acts in Supreme Court

International organization participation:

ADB (nonregional member), Australia Group, BIS, CD, CE, EAPC, EBRD, ECB, EIB, EMU, ESA, EU, FAO, FATF, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IEA, IFAD, IFC, IFRCS, IGAD (partners), IHO, ILO, IMF, IMO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), MIGA, MINURSO, MONUSCO, NEA, NSG, OAS (observer), OECD, OPCW, OSCE, Paris Club, PCA, PFP, UN, UNCTAD, UNESCO, UNHCR, UNIDO, UNIFIL, UNITAR, UNOCI, UNRWA, UNTSO, UPU, WCO, WHO, WIPO, WMO, WTO, ZC

Section 6 - Tax

Exchange control

There are no exchange controls.

Treaty and non-treaty withholding tax rates

Ireland has signed **92 agreements** (**70 DTC** and **22 TIEA** agreements) providing for the exchange of information.

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5
Albania	DTC	16 Oct 2009	not yet in force	Unreviewed	Yes
Anguilla	TIEA	22 Jul 2009	not yet in force	Yes	Yes
Antigua and Barbuda	TIEA	15 Dec 2009	17 Feb 2011	Yes	Yes
Armenia	DTC	14 Jul 2011	18 Dec 2012	Unreviewed	Yes
Australia	DTC	31 May 1983	21 Dec 1983	Yes	No
Austria	DTC	24 May 1966	5 Jan 1968	Yes	Yes
Bahrain	DTC	29 Oct 2009	9 Nov 2010	Yes	Yes
Belarus	DTC	3 Nov 2009	9 Jul 2010	Unreviewed	Yes
Belgium	DTC	24 Jun 1970	31 Dec 1973	Yes	No
Belize	TIEA	18 Nov 2010	11 Apr 2011	Yes	Yes
Bermuda	TIEA	28 Jul 2009	11 May 2010	Yes	Yes
Bosnia and Herzegovina	DTC	3 Nov 2009	10 May 2012	Unreviewed	Yes
Bulgaria	DTC	5 Oct 2000	5 Jan 2001	Unreviewed	No
Canada	DTC	8 Oct 2003	12 Apr 2005	Yes	No
Cayman Islands	TIEA	23 Jun 2009	9 Jun 2010	Yes	Yes
Chile	DTC	2 Jun 2005	28 Aug 2008	Yes	No
China	DTC	19 Apr 2000	6 Apr 2001	Yes	No
Cook Islands	TIEA	8 Dec 2009	2 Sep 2011	Yes	Yes
Croatia	DTC	21 Jun 2002	29 Oct 2003	Unreviewed	No
Cyprus	DTC	24 Sep 1968	7 Dec 1970	Yes	No
Czech Republic	DTC	14 Nov 1995	21 Apr 1996	Yes	No
Denmark	DTC	26 Mar 1993	8 Oct 1993	Yes	No
Dominica	TIEA	8 Jul 2013	not yet in force	Unreviewed	Yes
Egypt	DTC	9 Apr 2012	not yet in force	Unreviewed	No
Estonia	DTC	16 Dec 1997	23 Dec 1998	Yes	No
Finland	DTC	27 Mar 1992	26 Nov 1993	Yes	No
Former Yugoslav Republic of Macedonia	DTC	14 Apr 2008	23 Jun 2009	Yes	Yes

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5
France	DTC	21 Mar 1968	15 Jun 1971	Yes	No
Georgia	DTC	20 Nov 2008	6 May 2010	Unreviewed	Yes
Germany	DTC	30 May 2011	28 Nov 2012	Yes	Yes
Gibraltar	TIEA	24 Jun 2009	25 May 2010	Yes	Yes
Greece	DTC	24 Nov 2003	29 Dec 2004	Yes	No
Grenada	TIEA	31 May 2011	23 Apr 2012	Yes	Yes
Guernsey	TIEA	26 Mar 2009	10 Jun 2010	Yes	Yes
Hong Kong, China	DTC	22 Jun 2010	10 Feb 2011	Yes	Yes
Hungary	DTC	25 Apr 1995	5 Dec 1996	Yes	No
Iceland	DTC	17 Dec 2003	17 Dec 2004	Yes	No
India	DTC	6 Nov 2000	26 Dec 2001	Yes	No
Isle of Man	TIEA	24 Apr 2008	24 Oct 2008	Yes	Yes
Israel	DTC	20 Nov 1995	24 Dec 1995	Yes	No
Italy	DTC	11 Jun 1971	14 Feb 1975	Yes	No
Japan	DTC	18 Jan 1974	4 Dec 1974	Yes	No
Jersey	TIEA	26 Mar 2009	5 May 2010	Yes	Yes
Korea, Republic of	DTC	18 Jul 1990	27 Nov 1991	Yes	No
Kuwait	DTC	23 Nov 2010	not yet in force	Unreviewed	Yes
Latvia	DTC	13 Nov 1997	28 Jan 1998	Unreviewed	No
Liechtenstein	TIEA	13 Oct 2009	30 Jun 2010	Yes	Yes
Lithuania	DTC	18 Nov 1997	5 Jun 1998	Yes	No
Luxembourg	DTC	14 Jan 1972	25 Feb 1975	Yes	No
Malaysia	DTC	28 Nov 1998	10 Sep 1999	Yes	Yes
Malta	DTC	14 Nov 2008	15 Jan 2009	Yes	Yes
Marshall Islands	TIEA	2 Sep 2010	not yet in force	Yes	Yes
Mexico	DTC	22 Oct 1998	13 Dec 1998	Yes	No
Moldova, Republic of	DTC	28 May 2009	22 Apr 2010	Unreviewed	Yes
Montenegro	DTC	7 Oct 2010	1 Dec 2011	Unreviewed	Yes
Montserrat	TIEA	14 Dec 2012	not yet in force	Yes	Yes
Morocco	DTC	22 Jun 2010	31 Aug 2012	No	Yes
Netherlands	DTC	11 Feb 1969	12 May 1970	Yes	No
New Zealand	DTC	19 Sep 1986	26 Sep 1988	Yes	No
Norway	DTC	22 Nov 2000	27 Nov 2001	Yes	No
Pakistan	DTC	13 Apr 1973	20 Dec 1974	Unreviewed	No
Panama	DTC	28 Nov 2011	19 Dec 2012	Unreviewed	Yes
Poland	DTC	13 Nov 1995	22 Dec 1995	Yes	No
Portugal	DTC	1 Jun 1993	14 Jul 1994	Yes	No
Qatar	DTC	12 Jun 2012	not yet in force	Yes	Yes
Romania	DTC	21 Oct 1999	29 Dec 2000	Unreviewed	No
Russian Federation	DTC	29 Apr 1994	7 Jul 1995	No	No
Saint Lucia	TIEA	22 Dec 2009	17 Feb 2011	Yes	Yes
Saint Vincent and the Grenadines	TIEA	15 Dec 2009	21 Mar 2011	Yes	Yes
Samoa	TIEA	8 Dec 2009	21 Feb 2012	Yes	Yes

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5
San Marino	TIEA	4 Jul 2012	12 May 2013	Yes	Yes
Saudi Arabia	DTC	19 Oct 2011	1 Dec 2012	Yes	Yes
Serbia	DTC	23 Sep 2009	16 Jun 2010	Unreviewed	Yes
Singapore	DTC	28 Oct 2010	8 Apr 2011	Yes	Yes
Slovakia	DTC	8 Jun 1999	30 Dec 1999	Yes	No
Slovenia	DTC	12 Mar 2002	11 Dec 2002	Yes	No
South Africa	DTC	7 Oct 1997	5 Dec 1997	Yes	Yes
Spain	DTC	10 Feb 1994	21 Nov 1994	Yes	No
Sweden	DTC	8 Oct 1986	5 Apr 1988	Yes	No
Switzerland	DTC	8 Feb 1966	1 Jan 1989	No	No
Switzerland	DTC Protocol	26 Jan 2012	not yet in force	Unreviewed	Yes
Turkey	DTC	24 Oct 2008	18 Aug 2010	Yes	Yes
Turks and Caicos Islands	TIEA	22 Jul 2009	not yet in force	Yes	Yes
Uganda	DTC	19 Apr 2013	not yet in force	Unreviewed	Yes
Ukraine	DTC	19 Apr 2013	not yet in force	Unreviewed	Yes
United Arab Emirates	DTC	1 Jul 2010	2 Jun 2011	Yes	Yes
United Kingdom	DTC	2 Jun 1976	23 Dec 1976	Yes	No
United States	DTC	28 Jul 1997	1 Jan 1998	Yes	No
Uzbekistan	DTC	11 Jul 2012	17 Apr 2013	Unreviewed	Yes
Vanuatu	TIEA	31 May 2011	not yet in force	No	Yes
Viet nam	DTC	10 Mar 2008	24 Dec 2008	Unreviewed	Yes
Virgin Islands, British	TIEA	7 Dec 2009	28 Feb 2011	Yes	Yes
Zambia	DTC	29 Mar 1971	31 Jul 1973	Unreviewed	No

Methodology and Sources

Section 1 - General Background Report and Map

(Source: CIA World Factbook)

Section 2 - Anti – Money Laundering / Terrorist Financing

	Lower Risk	**Medium Risk**	**Higher Risk**
FATF List of Countries identified with strategic AML deficiencies	Not Listed	AML Deficient but Committed	High Risk
Compliance with FATF 40 + 9 recommendations	>69% Compliant or Fully Compliant	35 – 69% Compliant or Fully Compliant	<35% Compliant or Fully Compliant
US Dept of State Money Laundering assessment (INCSR)	Monitored	Concern	Primary Concern
INCSR - Weakness in Government Legislation	<2	2-4	5-20
US Sec of State supporter of / Safe Haven for International Terrorism	No	Safe Haven for Terrorism	State Supporter of Terrorism
EU White list equivalent jurisdictions	Yes		No
International Sanctions UN Sanctions / US Sanctions / EU Sanctions	None	Arab League / Other	UN , EU or US
Corruption Index (Transparency International) Control of corruption (WGI) Global Advice Network	>69%	35 – 69%	<35%
World government Indicators (Average)	>69%	35 – 69%	<35%
Failed States Index (Average)	>69%	35 – 69%	<35%
Offshore Finance Centre	No		Yes

Section 3 - Economy

General Information on the current economic climate in the country and information on imports, exports, main industries and trading partners.

(Source: CIA World Factbook)

Section 4 - Foreign Investment

Information on the openness of foreign investment into the country and the foreign investment markets.

(Source: US State Department)

Section 5 - Government

Names of Government Ministers and general information on political matters.

(Source: CIA World Factbook / https://www.cia.gov/library/publications/world-leaders-1/index.html)

Section 6 - Tax

Information on Tax Information Exchange Agreements entered into, Double Tax Agreements and Exchange Controls.

(Sources: OECD Global Forum on Transparency and Exchange of Information for Tax Purposes PKF International)

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Gary Youinou

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