



Brief for the Minister

May 2016



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

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Section One ~ Current Priorities and Overview of Department

1.1 INTRODUCTION

The Department of Jobs, Enterprise and Innovation's mission, as set out in its **Statement of Strategy 2015-2017**, is *"to encourage the creation of high quality and sustainable full employment by championing enterprise across government, supporting a competitive enterprise base, promoting a low tax environment to incentivise work and enterprise, and promoting fair and competitive markets"*.

In its December 2015 statement on Enterprise Policy, **"Enterprise 2025"**, which was developed by the Department of Jobs, Enterprise and Innovation, the Government set out Ireland's longer term ambition for enterprise growth and job creation over the coming decade. The **"Enterprise 2025"** vision is for Ireland to be the best place to succeed in business, delivering sustainable employment and higher standards of living for all. In tandem DJEI developed on a cross Government basis a new strategy for Research and Development, Science and Technology – Innovation 2020 – which was approved by Government and launched on 8 December 2015. The overarching vision in Innovation 2020 is for Ireland to become a Global Innovation Leader driving a strong sustainable economy and a better society.

Enterprise and innovation policies are broad reaching and its formulation and implementation requires a whole of government commitment. Although DJEI is the principal governmental advocate for enterprise and innovation, many other government departments play a crucial role in delivering on complementary policy actions to provide an environment that is conducive to job creation and which support the development of a competitive and sustainable enterprise mix, including in the areas of skills and tax, quality of place and essential infrastructures such as broadband and housing.

The **Action Plan for Jobs (APJ)**, led by this Department, was developed by Government as a response to the dramatic rise in unemployment since 2008 and the loss of 300,000 jobs in the wider economy. It is a whole of Government approach to identify actions required to support the enterprise sector as the main engine of job creation and to drive collaboration and implementation among the relevant stakeholders who have shared responsibility for the different objectives. In order to oversee the implementation of the quarterly measures and the Action Plan as a whole, the Government established a Monitoring Committee jointly chaired at Secretary General level by the Department of the Taoiseach and DJEI, with DPER also being a member. The process is highly transparent, with the publication of quarterly Progress Reports on the delivery or non-delivery of each quarterly target. It has been demonstrably successful - since the first Action Plan for Jobs was launched in Q1 2012, 138,200 more people are at work in Q4 2015.

Internationally, enterprise policy is evolving towards a "system" approach, with a role of Government acting as a facilitator, coordinator and market creator in addition to an investor. Governments in other countries are increasingly engaging in creating networks, enabling cluster development, addressing coordination failures, and aligning strategic priorities through effective and ongoing dialogue with enterprise. This evolution in enterprise policy internationally has informed the Department's formulation of the policy approach set out in Enterprise 2025.

Such an approach is also contained within Innovation 2020, Ireland's new strategy for research and development, science and technology, the development of which was led by this Department. This sets out the role of innovation in helping to drive economic and jobs growth,

increase collaborations between enterprise, higher education institutions and public service bodies to address major challenges.

The Department and its agencies have been to the fore in a cross-departmental focus on addressing the jobs challenge over the last five years through export-led growth, with an additional 138,000 at work since the beginning of 2012 and the unemployment rate reducing from 15.1% to 8.4% at the end of April 2016. However, there are a number of external risks that could impact on the momentum of enterprise job creation over the short and medium term including euro appreciation vis-a-vis sterling and the dollar impacting exports, inward investment and tourism, the UK EU referendum, increases in energy and oil prices, increased tax-based competition and the impact on global economic growth of fragilities in China, Europe and the US. In addition there are growing concerns as to the impact of increases in domestic costs on our competitiveness, and emerging capacity issues in areas such as skills, office and industrial buildings availability, infrastructure investment and housing supply, which are increasingly impacting on our potential for enterprise investment and job creation.

Given the Department's wide remit across the areas of enterprise and innovation, workplace relations, the broad business regulatory framework and competitiveness, there are many key strategic issues and priorities for the Department. In the context of a new Programme for Government, a revised set of priorities will be determined and reflected in a new Statement of Strategy, which is required to be drafted this year, under the Public Services Management Act, 1997, and in revised annual business plans for the Department.

1.2 KEY STRATEGIC ISSUES FOR THE DEPARTMENT

The following current key strategic issues are derived from the Department's existing Statement of Strategy and other frameworks, such as the *Action Plan for Jobs, Enterprise 2025* and *Innovation 2020*.

(a) Implementing Progressive Enterprise Policies and Ensuring a Competitive Business Environment

- Delivering on commitments in *Enterprise 2025*, our ten year jobs and enterprise strategy, which sets out the roadmap to build a resilient economy, achieving sustainable full employment and have 2.18 million people at work by 2020, and ranking in the top 3 most competitive small countries in the world.
- Delivering on commitments in *Innovation 2020*, including increasing public and private investment in R&D to 2.5% of GNP by 2020, by almost doubling public spending across all Departments in R&D XXXXXXXXXXXXXXXXXXXX and by securing €1.25bn funding under the EU Framework Programme for Research & Innovation, Horizon 2020.
- Securing the necessary capital budget and human resources to enable the enterprise Agencies to deliver investment, exports and jobs.
- Maximising job creation/retention through ensuring a competitive business environment.
- Ensure the cross-Government commitment to implementing APJ 2016. APJ 2016 is the implementation vehicle for key enterprise strategies including Enterprise 2025, Innovation 2020 and the National Policy Statement on Entrepreneurship
- Achieving balanced economic development across the regions by targeting an increase in employment of 10 to 15% in each region by 2020.
- Meeting the Skills needs of an expanding Economy, particularly in key identified sectors, as researched by the Expert Group on Future Skills Needs.
- Developing Employment Rights policy and legislation, which recognises the need for both flexibility and security and taking into account the changing realities of the world of work.

- Meeting increasing challenges in the workplace relations/employment rights environment, through the services of the Workplace Relations Commission and Labour Court.
 - Continuing to lead on the national and EU competitiveness agenda, through advocacy in domestic fora and EU Councils and Working Groups, analysis, policy formulation and working with the European Commission, Member States, and domestic stakeholders, including the National Competitiveness Council.
 - Ensuring that the concerns of Irish business are reflected in emerging policy proposals, e.g. Climate Change commitments, Single Market Strategy, Digital Single Market Strategy and by tackling existing administrative burdens caused by regulation and legislation.
 - Helping to make markets work more effectively for consumers and the economy as a whole through the promotion of keen competition, high standards of compliance and corporate governance and consumer protection but without unnecessary regulatory costs
 - Improving the implementation of occupational safety and health legislation, in particular in micro and small-sized enterprises.
- (b) Maximising Job Creation/Retention through Inward Investment**
- Ensuring IDA is positioned to deliver on the jobs targets of 42,000 net additional jobs over the period 2015 to 2020, and winning an additional 1,080 investment projects over the period and €3.6bn in RDI investment by overseas firms.
 - Securing the necessary capital budget and human resources to enable IDA Ireland to deliver investment, exports and jobs.
 - Ensuring, in consultation with the Department of Finance and Revenue, a tax environment that is supportive of enterprise and job creation and which meets taxation requirements at international level and in a way that provides certainty for investors and sustains Ireland's competitiveness
- (c) Maximising Job Creation/Retention through Indigenous Enterprise**
- Delivering on Enterprise Ireland's targets of a net additional 32,000 jobs over the period 2015-2020, growing exports of Irish-owned firms by 6-8% p.a. to 2020 and increasing the number of enterprises performing R&D by 25%.
 - Developing the most effective environment for indigenous companies to start, scale and succeed, through a suite of policies and supports designed to assist and facilitate businesses at all stages of development and growth, from nascent and early stage entrepreneurs to companies of scale trading internationally
 - Maximising the contribution from indigenous enterprises to economic development in terms of business start-ups, exports, and job creation.
 - Delivering enhanced access to finance for SMEs, including microfinance, loan credit guarantees, and seed and venture capital.
 - Securing the necessary capital budget and human resources to enable Enterprise Ireland to deliver investment, exports and jobs.

1.3 IMMEDIATE PRIORITIES IN THE MONTHS AHEAD

There are a number of immediate short term key priority issues requiring attention, across the business responsibilities of the Department, as follows;

(a) Companies (Accounting) Bill 2016

Drafting of the Companies (Accounting) Bill 2016 is at an advanced stage and the Department now hopes to be in a position to bring it to Government in May, seeking permission to publish and initiate in the Dáil. The main objective of this Bill is to transpose

the EU Accounting Directive into Irish law. The deadline for that transposition was 20 July 2015.

(b) Regulations to transpose the EU Audit Directive and give effect to the EU Audit Regulation

The deadline for transposing the EU Audit Directive is 17 June 2016 and the accompanying EU Audit Regulation becomes directly applicable in Ireland on the same date. Late transposition in this case will have serious practical negative consequences, such as the fact that Ireland's oversight system for audit would not be in a position to operate effectively and meet its international obligations. Accordingly, the Department now intends to transpose the essential elements of the EU rules by way of secondary legislation with the remainder in primary legislation.

(c) Necessary Amendments to existing legislation to ensure that IDA Ireland has the required powers to deliver its strategic property functions

Amendments need to be made to existing legislation, on account of the judgment of the Supreme Court in Reid vs IDA, to ensure that IDA Ireland has the necessary powers to deliver its strategic property functions and this will be pursued in the coming period.

(d) New Credit Guarantee Scheme and Counter Guarantee Scheme

Statutory Instruments are to be jointly made between the Ministers for Jobs, Enterprise and Innovation, Public Expenditure and Reform and Finance to implement a new Credit Guarantee Scheme and a new Counter Guarantee Scheme, in accordance with legislative changes in the Credit Guarantee (Amendment) Act, 2016 as enacted in February 2016.

(e) Implementation of the Construction Contracts Act, 2013

The Minister will be required to approve and sign a Code of Practice on the conduct of adjudications under section 9 of the Construction Contracts Act, 2013, which will then be published. The published Code of Practice will be binding on all adjudicators operating under the Act.

(f) Annual Report of the Company Law Review Group for 2015

The Annual Report of the Company Law Review Group for 2015 will be submitted to the Government before the end of May 2016 prior to being laid before the Houses of the Oireachtas in accordance with the Companies Act 2014.

(g) Legislation to transpose the Posted Workers Enforcement Directive

The Department is currently carrying out preparatory work on the forthcoming transposition into Irish law of the EU Directive on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services (2014/67/EU) of 15th May, 2014. The deadline for transposition of the Directive is 18th June, 2016. The Directive provides a small number of policy options to Member States when transposing into national law. These policy issues were the subject of a public consultation, following which it is proposed to transpose the Directive on the basis of the minimum mandatory requirements and to do so by way of secondary legislation under the European Communities Act 1972. A Statutory Instrument is currently being drafted by the OPC and the Department is working closely with the OPC to finalise the S.I. over the coming weeks to meet the transposition deadline.

(h) Industrial Relations

There are significant pressures building for pay rises in the Commercial State Bodies (especially in Public Transport) and in the Public Sector generally. There are also pressures for pay rises in the Private Sector in response to evidence of economic recovery after a number of years of pay restraint.

(i) A Bill to give effect to certain aspects of the Knowledge Development Box.

The Department expects to bring the General Scheme of a Bill to Government in May/June weeks seeking permission to draft a Bill and publish the Heads to provide a statutory basis for a new certification scheme for Intellectual Property assets in the nature of inventions aimed at the SME sector. In addition, certain amendments to Patents law to take effect from

1 January 2017 to give effect to commitments in the Finance Act 2015 relating to patents will require Government approval, although this is not expected to require a standalone Bill.

(j) Response to Report by Ms Nessa Cahill B.L and Mr Kevin Duffy, Chairman of the Labour Court examining legal protections for employees

The Report by Ms Nessa Cahill B.L. and Mr Kevin Duffy, Chairman of the Labour Court examining the legal protections for employees, particularly where operations and assets may be moved to separate legal entities as part of a restructuring was submitted to the Minister for Jobs, Enterprise and Innovation and the Minister for Business and Employment on the 11th March 2016. The report was published on 26th April 2016. A response to the Report may require consideration by the Government prior to the Dail summer recess.

(k) Memorandum for the Information of Government on Ireland’s European Research Area (ERA) Roadmap for the Research Ministers Competitiveness Council 27 May.

Member States are required to develop national ERA roadmaps setting out how they will deliver on the ERA priorities. A draft ERA Roadmap for Ireland has been developed and following final stakeholder consultation will be brought to Government to note in advance of transmission to the European Commission and a discussion at the Competitiveness Council Research Ministers on 27 May.

(l) National Minimum Wage in 2017

The Low Pay Commission is scheduled to make recommendations to the Minister no later than 21 July 2016 in relation to the appropriate rate for the National Minimum Wage in 2017. (A decision by Government in relation to acceptance of the recommendations will not be taken until later in the year, in the context of Budget 2017).

(m) XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX Innovation 2020 - Ireland's Strategy for Research & Development, Science & Technology

Innovation 2020 - Ireland's Strategy for Research & Development, Science & Technology - was approved by Government at the end of 2015 and launched by the Taoiseach on 8 December. XX XX.

(n) Appointments to State Boards and high-level statutory staff vacancies

The Department is currently progressing a number of State Board appointments including filling vacancies on the IDA Board and appointment of the Company Law Review Group along with some high-level staff vacancies (including statutory posts as Chairman of the Labour Court and as Director General of the Workplace Relations Commission), in concert with DPER and the Public Appointments Service, as provided for under the Workplace Relations Act, 2015. A vacancy on the Board of Tyndall National Institute (a non-statutory body) also exists.

(o) Transposition of EU Directives

There is an urgent requirement to transpose seven EU directives which were due to be transposed by 20th April 2016, as follows:

- EU Directive 2014/30/EU on electromagnetic compatibility of electrical products
- EU Directive Non-Automatic Weighing Instruments (NAWI-2014/31/EU)
- EU Directive Measuring Instruments (2014/32/EU)
- EU Directive 2014/35/EU on the harmonisation of the laws of the Member States relating to the making available on the market of electrical equipment designed for use within certain voltage limits
- EU Directive 2014/33/EU on the harmonisation of the laws of the Member States relating to lifts and safety components for lifts
- EU Directive 2014/34/EU on the harmonisation of the laws of the Member States relating to equipment and protective systems intended for use in potentially explosive atmospheres

- EU Directive 2014/35/EU on the harmonisation of the laws of the Member States relating to electrical equipment designed for use within certain voltage limits

DJEI is working closely with the OPC to ensure transposition of these Directives at the earliest date and is keeping the Commission informed on progress.

(p) A Bill to provide for amendments in the Copyright area

It is proposed to submit for Government approval before summer 2016, a Memorandum for Government with draft Heads of a Bill seeking approval to draft a Bill aimed at achieving certain reforms and modernisation of certain aspects of copyright.

(q) First Progress Reports on 7 Regional Action Plans (Midlands, South East, South West, Mid West, West, North East/ North West and Mid East)

Between June 2015 and January 2016, eight regional Action Plans for Jobs were published, aimed at raising employment levels by 10 to 15% across the regions by 2020. It is proposed to submit a progress report to Government by July this year updating on progress in implementing 7 of the 8 Regional Action Plans (the date of publication for the Dublin Action Plan is to be confirmed).

1.4 CURRENT HEADLINE TARGETS

The following is a summary some of the current headline targets or outputs / outcomes our policies are designed to achieve:

- Enterprise 2025 sets out the ambition to have 2.108 million at work by 2020
- Deliver on Enterprise Ireland's targets of a net additional 32,000 jobs over the period 2015-2020, grow exports of Irish-owned firms by 6-8% p.a. to 2020 and increase the number of Irish enterprises performing R&D by 25%.
- By end 2019: increase the number of start-ups by 25%, increase the survival rate in the first five years by 25% and improve the capacity of start-ups to grow to scale by 25%
- Have a further 10 to 15 per cent at work in each region by 2020 and to ensure the unemployment rate of each region is within one per cent of the State average
- Delivery, through IDA Ireland, 42,000 net additional jobs over the period 2015 to 2020, winning an additional 1,080 investment projects over the period and €3.6bn in RDI investment by overseas firms.
- Through Innovation 2020, increase public and private investment in R&D to 2.5% of GNP by 2020, from its current level of 1.8%. This will require;
 - as part of the Mid-Term Review of the Capital Programme, seeking to double public spending across all Departments in R&D in the period to 2020
XXXXXXXXXXXXXXXXXXXXXXXXXXXX (about a half of this is DJEI spend)
 - a near doubling of Business Expenditure on R&D by 2020, drawing down €1.25bn funding under the EU Framework Programme for Research & Innovation, Horizon 2020
 - using some of the additional Exchequer funds to expand the numbers of researchers and provide the equipment and buildings to support them, in part through a new Programme for Research Third Level Institutions (PRTLTI)
 - doubling private investment in R&D activity in public bodies, including the higher education system through collaboration supported by Science Foundation Ireland and Enterprise Ireland
- In support of these high level targets, to meet the individual detailed targets and objectives set out in the strategies and corporate plans of IDA Ireland, Enterprise Ireland, the Local Enterprise Offices, Science Foundation Ireland and the NSAI
- Respond to annual increases in employment permits demand in excess of 30% per annum while keeping average wait times at or below 2015 levels (23 days- up from 18 in 2014. Provide for in excess of 2,500 critical ICT permits.

- Target a maximum three-month waiting time for 1st instance hearings under new WRC structure (up to two years in the recent past under old structures) and a 28 day period for issue of decisions post hearing.
- Reduce rates of work related deaths, injuries and ill health (67 fatalities in 2007; down to 47 in 2013; have risen again to 53 in 2015).
- Reduce agriculture fatalities from almost 50% of all workplace deaths (farms make up just 6 per cent of workplaces).
- Grow the *BeSmart* on-line Health and Safety tool user base from 30,000 (up 7,000 in 2015) to make compliance easier and keep the regulatory burden to a minimum.

1.5 THE DEPARTMENT

The Department currently plays a key role in implementing the Government’s policies of stimulating the productive capacity of the economy and creating an environment which supports job-creation. The Department also has a remit to ensure fair competition in the marketplace, protect consumers and safeguard workers. Through its agencies and Offices, the Department’s remit covers a wide range of activity including:

- attracting foreign direct investment,
- facilitating the start-up and growth of indigenous enterprises,
- increasing exports,
- improving competitiveness,
- promoting innovation and growth through investment in research and development,
- promoting fair competition for businesses and consumers,
- upholding company law,
- safeguarding the rights of workers, including their entitlement to occupational safety and health,
- facilitating a positive industrial relations environment.
- evidence based policy, informed by research, analysis and a robust evaluations culture
- identifying the future skills needs of enterprise (enhancing Ireland’s product offering to attract FDI, facilitate investment and job creation by indigenous businesses and improving Ireland’s competitiveness, innovation and productivity).

The Department is currently comprised of six Divisions, as follows:

Division	Assistant Secretary
Indigenous Enterprise Division	Clare Dunne
Innovation and Investment Division	Dermot Mulligan
Commerce, Consumers and Competition Division	Breda Power
Labour Affairs Division	Martin Shanagher
Corporate Services, EU Affairs & Trade Policy Division	Philip Kelly
Strategic Policy Division	Declan Hughes

1.5.1 Management Board

The Department’s Management Board currently comprises the Secretary General, six Assistant Secretaries and the Head of the Management Support Unit.

The Management Board meets weekly, usually on Tuesday mornings.

1.5.2 Ministerial Management Board

Currently, Ministerial Management Board meetings take place every four to six weeks. The Minister, the Ministers of State and the Special Advisors to the Minister attend these meetings, along with the members of the Management Board. The Agenda is set by the Minister, who also chairs the meeting.

1.5.3 Cabinet Committees

The Cabinet Committee system is a key infrastructure supporting the formulation and delivery of significant Government policies, and especially those that require cross-Departmental and cross-Agency co-operation. DJEI has been an active contributor over the lifetime of recent Government Programmes and Departmental Statements of Strategy to the work of the Cabinet Committees and their supporting senior officials, expert and technical Groups. In doing so it has sought to place employment, enterprise and innovation at the heart of government policy areas which influence sustainable economic recovery, and especially, in regard to job creation, infrastructure, European Union, energy and climate change policy.

The Department has successfully reinvigorated competitiveness impact assessment in the formulation of policy across many domains, so that the implications for business costs, jobs exports and inward investment are given due consideration. In whatever formations of Cabinet Committees a new government puts in place the Department would be committed to driving delivery of commitments made in the new Programme for Government and other frameworks (APJ 2016, Enterprise 2025, Innovation 2020) by active contribution through these formations.

The Minister/Department are currently members of the following Committees and their supporting groups.

- Cabinet Committee on Economic Infrastructure and Climate Change
- Cabinet Committee on Economic Recovery and Jobs
- Cabinet Committee on European Affairs
- Cabinet Committee on Construction 2020, Housing, Planning and Mortgage Arrears

1.6 DEPARTMENTAL ESTIMATE

The content of this section needs to be considered in conjunction with the further detail and background on the Department's Vote and finances contained in Section 6 of this briefing document.

The total Gross Allocation for the Department for 2016 is €810 million as per the published 2016 Revised Estimates Volume (REV). This includes funding for the Department, its Offices and its Agencies. The funding provision is targeted at growing the economy and maintaining and developing employment therein while regulating markets and ensuring fair competition and retaining an effective and efficient labour relations capability.

A breakdown of the €810 million and a comparison with 2015 REV allocation is as follows:

	2016 REV Allocation	2015 REV Allocation
Capital	€503m	€489m
Capital Carryover	€ 10m	€ 20m
Total Capital	€513m	€509m
Current	€297.473m	€301.186m
Total Allocation	€810.473m	€810.186m

The €810m for this year is allocated as follows:

- €513m in Capital grants provision (mainly enterprise & research grants to Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Local Enterprise Offices).
- €155m on Payroll costs to cover a staffing cohort of c. 2,450 across the JEI Vote (c. 835 posts in the Department, the other 1,600+ employed across the enterprise agencies).

- €93m in Non-Pay programme expenditure e.g. day-to-day running costs of the Department, Offices & Agencies. Non-Pay also covers Ireland's subscriptions to certain international memberships organisations.
- €49m in Pensions costs, primarily for retired employees of the enterprise agencies.

JEI Current Expenditure

Comparison of Current Expenditure 2016 v 2015

	2016	2015
Pay	€155.067m	€158.75m
Pensions	€49.094	€50.1m
Non-Pay	€93.312m	€92.25m
Total	€297.473m	€301.186m

The JEI Current (gross) provision of **€297m** represents **0.58%** of the total 2016 Exchequer Current expenditure provision of €51.33 billion.

The Department's Current 2016 allocation is actually a "no change" scenario over its 2015 current allocation. The decrease in Pay (-€3.7m) is not a cut but reflects the fact that there are 26 fortnightly pay periods in 2016 versus 27 fortnightly pay periods in 2015.

The 2016 REV is the first time since 2009 that the Department's current allocation has not been subject to an annual actual cut in current provision.

Non-Pay covers the cost of day-to-day operations of the Department, Offices and Agencies (e.g. accommodation related costs, travel, publications, ICT costs etc).

Non-Pay also includes payment of Ireland's annual membership contributions to, for example, the World Trade Organisation, the International Labour Organisation, the World Intellectual Property Organisation and the OECD.

Overall, in the period since the 2011 Comprehensive Spending Review, the Department's Current expenditure ceiling has reduced by €96m from €393m in 2011 to €297m this year. €39m of this reduction relates to reclassified current monies (to capital grants) arising from new EU standards of accounting rules applicable from January 2015. The other €57m (-14%) represents savings arising from efficiency measures undertaken across the Vote since 2011.

Against the background of reduced resources, staffing and financial, the Department has sought to make a major contribution to economic recovery and, in 2013, to the delivery of a comprehensive and highly successful programme as part of Ireland's Presidency of the European Union. In addition, it has undertaken significant structural reform, e.g. formation of the WRC, the absorption of Forfas, the abolition of Shannon Development, the introduction of a total overhaul of Company Law and made major investment in ICT to promote better customer service and greater operational efficiency. It has also taken on new functions, such as the Low Pay Commission and Construction Contracts Mediation. Accordingly, there has been a substantial increase in productivity over recent years.

JEI Capital Expenditure

The Department's total (gross) capital provision for 2016 is **€513m** and it represents 12.68% of the total planned Exchequer Public Capital Programme of €3.96 billion this year.

The €513m capital is a 0.8% increase over the 2015 Revised Estimates Allocation of €509m.

The JEI capital provision is to support the grant activities of the enterprise agencies, primarily Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Local Enterprise Offices as well as Ireland's subscriptions to a number of international research organisations, such as the European Space Agency.

The bulk of the enterprise grant operations are multi-annual programmes spanning over 3 to 5 year periods and take-up on agency grants is usually dependent on industry demand and activity in the economy. The Capital provision in any given year is substantially utilised for prior year year commitments. The indicative "headroom" for new capital grant business undertakings in a given financial year tends to be c. 15% of the agency's capital provision. Therefore it is not the case that the Department has c. €500m+ at its disposal each year to conduct new grant supported business. The full distribution of the €513m in the Department's Capital provision for 2016 is set out in Section 6.

Supplementary Estimate – December 2015

The Minister should note that the Department had a Supplementary Estimate approved by the Oireachtas in December 2015 for €50m in capital provision. These moneys were made available for use before year end last year and were allocated as follows:

- €21m to IDA Ireland – primarily to support their Regional Property Programme announced by Government in February 2015.
- €29m to support Innovation activities, broken down between:
 - €23.5m to meet certain commitments under the Programme for Research in Third-level Institutions (PRTLTI).
 - €5m to Science Foundation Ireland for research infrastructure.
 - €0.5m to the Tyndall National Institute to secure strategically important research equipment.

Given the multi-annual nature of agency programmes, the €29m secured in the Supplementary Estimate for Innovation supports helped to meet some existing PRTLTI commitments slightly earlier than envisaged and also free up some headroom for new business for SFI in 2016.

Agency Own Resource Income

In addition to Exchequer funding, several of the Department's Agencies, most notably Enterprise Ireland, IDA Ireland, National Standards Authority of Ireland generate Own Resource Income (ORI) from a range of their activities. The retention of the ORI by the Agencies is subject to annual sanction from the Minister for Public Expenditure & Reform. Typically the quantum of annual ORI generated and retained for use by the agencies has been in the €90m ~ €110m range in recent years.

Further information is contained in Section 6.

Income received by the Department ("Appropriations-in-Aid")

A number of the Department's Offices, such as the CRO, Patents Office and Employment Permits area of the Department provide services to the public with a fee generation element. Unlike ORI, the Department does not get to retain and use A&As, these are returned to the Exchequer and "netted off" against the Exchequer gross allocation to the JEI Vote.

Further information is contained in Section 6.

1.7 KEY DATES / EVENTS IN THE PERIOD AHEAD FOR MINISTER

The following key events are provided for consideration by the Minister as to attendance / representation by the Department. In addition, a schedule of Ministerial led trade missions is currently being developed by Enterprise Ireland and will require DFAT agreement in advance of finalisation.

2016 Dates / events in the period ahead for Minister

The following key events are provided for consideration by the Minister as to attendance / representation by the Department.

Key Events in Minister's Diary

Month	Date	Meeting/Appointment	Time/Location
May	13	Foreign Affairs (Trade) Council	Brussels
	18 -19	TBC: EI & IDA Trade Mission to Ireland	All Day Event/TBC
	26 -27	Competitiveness Council	Brussels
June	1 - 2	TBC: OECD Ministerial Council Meeting	Paris
	10	TBC: North South Ministerial Council Plenary Meeting	Armagh
	16 – 17	EPSCO	Luxembourg
	22	TBC North South Ministerial Council (NSMC)- Sectoral	Armagh
	29	TBC North South Ministerial Council (NSMC)- Sectoral	Armagh
July	09.	Somme Commemoration	War Memorial, Islandbridge
	10	National Day of Commemoration	Royal Hospital Kilmainham
	13 -15	Informal EPSCO	Bratislava
	17- 19	Informal COMPET Council	Bratislava
September	19	TBC National Ploughing Championships - International Visitors Dinner	Tullamore Court Hotel
	20	TBC National Ploughing Championships - Announcement and Presentation of Award Winners	TBC
	XXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXX
	22 - 23	Informal Trade Council	Bratislava
	29 - 30	COMPET Council Industry/ Internal Market 29 th Research 30 th	Brussels
October	13	EPSCO Council	Luxembourg
November	11	Foreign Affairs (TRADE) Council	Brussels
	XX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXX
	28 - 29	COMPET Industry/ Single Market 28 th Research 29 th	Brussels
December	8	EPSCO Council	Luxembourg

No fixed Dates - Appearance before Oireachtas Committee on Estimates.

1.8 OVERVIEW OF DEPARTMENT, OFFICES, AGENCIES STRUCTURE

The Department (including its Offices) currently has 850¹ staff serving in 799.27 Full Time Equivalent (FTE²) posts. Further information on Staff Resources is provided in Section 6 of this briefing document.

There are a number of Offices which we staff which are an integral part of the Department and are identified as distinct Offices of the Department for both customer benefit and because the Head of that Office has independent statutory decision-making powers, e.g. the Companies Registration Office (CRO), the Office of the Director of Corporate Enforcement (ODCE), the Patents Office, the WRC. In addition, the Department is supported in its work by a number of executive State Agencies which have their own Boards and CEOs such as Enterprise Ireland, the Health & Safety Authority, etc. The Offices and Agencies of the Department are as follows:

The Department funds and staffs 5 Offices:

- Companies Registration Office (CRO) incorporating the Registry of Friendly Societies
- Labour Court
- Office of the Director of Corporate Enforcement (ODCE)
- Patents Office
- Workplace Relations Commission (WRC) (established in October 2015 with the consolidation of the Labour Relations Commission, Equality Tribunal, Employment Appeals Tribunal³ and the National Employment Rights Authority).

It also funds and staffs the Low Pay Commission.

The Department also provides research, analysis and secretariat support to the work of a number of councils/groups including the:

- National Competitiveness Council, established by Government Decision and reports to the Taoiseach;
- Export Group on Future Skills Needs, jointly reporting to the Minister for Jobs, Enterprise and Innovation and Minister for Education and Skills,

The Department supports 9 Agencies and the 31 Local Enterprise Offices, comprising:

- Competition & Consumer Protection Commission
- Enterprise Ireland
- Health and Safety Authority
- Irish Auditing and Accounting Supervisory Authority
- IDA Ireland
- InterTrade Ireland
- National Standards Authority of Ireland
- Personal Injuries Assessment Board
- Science Foundation Ireland

¹ End January 2016. DJEI has sanction for total posts of 835.

² FTE = Full time Equivalent, e.g. 2 staff working a half week each = 1 FTE post

³ The first instance functions of the Employment Appeals Tribunal (EAT) were taken over by the Workplace Relations Commission on 1st October 2015. The EAT appellate functions were transferred to the Labour Court. However, The Employment Appeals Tribunal (EAT) cannot be wound up until it has disposed of its legacy caseload which may take between 18 and 24 months.

- Local Enterprise Offices (31)

The Department has its main presence across three Offices in Dublin – Kildare Street, Earlsfort Centre and Davitt House on Adelaide Road. In addition, Departmental staff are located in Kilkenny (Patents Office) and Carlow (part of the Companies Registration Office (CRO),) and part of the Workplace Relations Commission⁴ (WRC). Staff are also serving in Parnell Square, Dublin (CRO, Office of the Director of Corporate Enforcement (ODCE) and Competition and Consumer Protection Commission (CCPC)), in Tom Johnson House, Haddington Road, Dublin (Labour Court and WRC), and in our regional presence for the WRC in Dublin, Cork, Shannon and Sligo.

More detail on the Offices and Agencies is set out in Section Five below.

⁴ WRC established in October 2015 – comprised of the former: National Employment Rights Authority, Labour Relations Commission, Employment Appeals Tribunal, Equality Tribunal, with the Labour Court remaining a separate entity.

Annex 1 - Organisation Chart
Secretary General: John Murphy

Corporate Services, EU Affairs & Trade Policy Division Assistant Secretary Philip Kelly	Commerce, Consumers and Competition Division Assistant Secretary Breda Power	Indigenous Enterprise Development Div. Assistant Secretary Clare Dunne	Innovation and Investment Division Assistant Secretary Dermot Mulligan	Strategic Policy Division Assistant Secretary Declan Hughes	Labour Affairs Division Assistant Secretary Martin Shanagher	
<p>Human Resources, LDU, State Agencies & Pensions, Business Services Unit Principal Officer John Hughes</p> <p>Management Support/ and Communications FOI Units (including Press Office) Principal Officer Michael O'Leary</p> <p>ICT Unit Principal Officer Pat McCourt</p> <p>Finance Unit Principal Officer Cathal O'Gorman</p> <p>EU Affairs and Single Market Principal Officer Conor Verdon</p> <p>Trade Policy and Export Licensing Principal Officer Lorraine Benson</p> <p>Economic Counsellors Declan Morrin (Embassy London) Thomas Murray (PR Brussels) Anne-Marie Finlay (PR Brussels) John Newham (PMUN Geneva)</p>	<p>Competition & Consumer Policy Principal Officer Kieran Grace</p> <p>Company Law Policy & Business Regulation Unit Principal Officer Colm Forde</p> <p>Company Law Development & EU Principal Officer Helen Curley</p> <p>Company Law Audit & Accounting Policy Principal Officer Sabha Greene</p> <p>Cooperative Legislation & PIAB Liaison Principal Officer Colm Forde</p>	<p>Enterprise Agencies & Programmes Unit Principal Officer Eugene Forde</p> <p>Finance For Growth & State Aid Principal Officer Páraig Hennessy</p> <p>Regional Strategies & Enterprise Initiatives Principal Officer Eadaoin Collins</p> <p>Entrepreneurship & Small Business Policy Principal Officer Nina Brennan</p>	<p>Innovation, Research and Development - Policy Principal Officer Pauline Mulligan</p> <p>Innovation, Research and Development – Programmes Principal Officer Marcus Breathnach</p> <p>Intellectual Property Unit / Patents Office Principal Officer Anne Coleman-Dunne</p> <p>Inward Investment & North/South Unit Principal Officer Richard Scannell</p>	<p>Competitiveness, Economic Analysis & Enterprise Surveys Unit, Principal Officer Marie Bourke</p> <p>Skills & Education Unit/ Enterprise Programmes & Policies Evaluations Unit Principal Officer William Parnell</p> <p>Action Plan for Jobs & New Sources of Growth Principal Officer Karen Hynes</p> <p>Research & Innovation Principal Officer John Dooley</p> <p>Enterprise Policy, Trade Strategy, Economic Infrastructures & Tax Principal Officer Maria Ginnity</p>	<p>Employment Rights Principal Officer Dermot Sheridan</p> <p>Employment Permits & Economic Migration Policy, EU/EPSCO Coordination Principal Officer Fiona Flood</p> <p>Safety, Health & Chemicals Policy Principal Officer Paul Cullen</p> <p>Industrial Relations and Workplace Relations Liaison Principal Officer Stephen Curran</p> <p>Internal Audit Principal Officer TBC*</p> <p>Low Pay Commission Principal Officer Maire NiChuiric</p>	<p>Construction Contracts Unit Director Loughlin Quinn</p>

Offices of the Department

The following are Senior Managers serving in Offices of the Department.

<p>Companies Registration Office & Registry of Friendly Societies Registrar Maureen O'Sullivan Principal Officer David Mc Fadden (Legal)</p> <hr/> <p>Office of the Director of Corporate Enforcement (ODCE) Director Ian Drennan</p> <p>ODCE Principal Officer Conor O'Mahoney</p> <p>ODCE - Legal Ann Keating Adrian Brennan Kevin O'Connell</p> <hr/> <p>ODCE - Compliance Manager Kevin Prendergast</p> <hr/> <p>Patents Office Controller of Patents Gerard Barrett</p>	<p>Workplace Relations Commission (WRC) Director General Kieran Mulvey WRC Chief Operating Officer Liam Kelly WRC - Head of Adjudication - Principal Officer David Small WRC - Head of Inspectorate - Principal Officer Padraig Dooley WRC - Head of Advisory & Corporate Services - Principal Officer Fiona Kilcullen WRC - Registrar Principal Officer Sile Larkin WRC - Director of Conciliation & Mediation - Principal Officer Anna Perry WRC - Deputy Director of Conciliation & Mediation - Principal Officer TBC</p> <hr/> <p>Labour Court Chairman Kevin Duffy Deputy Chairs Caroline Jenkinson Brendan Hayes Alan Haugh Kevin Foley</p>
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Section Two ~ Summary of Key Issues by Division

The following sets out in summary the key policy and related issues currently under examination across the Divisions within the Department. These items are outlined in further detail, by Division, in Section Three below.

2.1 Indigenous Enterprise Development Division Clare Dunne, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Enterprise Agencies and Programmes Unit	Eugene Forde
Entrepreneurship and Small Business Policy Unit	Nina Brennan
Regional Action Plans and Enterprise Initiatives	Eadaoin Collins
Finance for Growth and State Aid	Páraig Hennessy
Agencies: Enterprise Ireland National Standards Authority of Ireland	Julie Sinnamon – CEO Maurice Buckley - CEO

The overall goal of this Division is to work with relevant stakeholders to ensure that appropriate supports are in place to promote and develop entrepreneurship, to help businesses to start, scale and export, and to advocate across the wider system for a supportive business environment (e.g. tax policy, skills availability; etc.)

The Division operates a suite of policies and supports designed to assist and facilitate businesses at all stages of development and growth, from nascent and early stage entrepreneurs to companies of scale trading internationally.

This includes direct interventions such as the provision of Microfinance and Loan Guarantees, as well as working with the Agencies (EI, LEOs, NSAI) to ensure their supports are relevant and aligned to the evolving needs of business.

Developing Indigenous Enterprise is crucial to the economy because Irish-owned enterprises account for over 90% of businesses in Ireland.⁵ Ireland's active enterprise base⁶ is made up of:

- 185,530 companies and businesses⁷
- 168,281 micro-enterprises (less than 10 employees), accounting for 90.7% of all active enterprises in the State⁸

⁵ CSO Business in Ireland 2012, p.50 (Structural Business Survey 2012)

⁶ Ireland's foreign-owned industry base comprises mainly of the IDA's 1,195 client companies which employ approx. 175,000 directly. Enterprise Ireland supported companies directly employ over 180,000

⁷ CSO Business in Ireland 2012, p.13

⁸ CSO Business in Ireland 2012, p.21

- Internationally trading companies supported by Enterprise Ireland achieving exports of €18.6bn⁹
- Irish-owned SMEs solely trading in the domestic economy, accounting for 63.3% of all SME employment¹⁰
- Nearly 60,000 Manufacturing, Wholesale and Retail Trade, and Information and Communications enterprises accounting for over three quarters of all sales in the Irish business economy¹¹

Ireland has a proven track record, and a well-recognised model for attracting and retaining Foreign Direct Investment; and FDI continues to be a key cornerstone of our enterprise base. Since the 1990's it has been acknowledged that the attraction of FDI must be complimented by a clear national effort to develop and grow our own domestic base of companies and to develop clear national advantage in key sectors of strength. Export intensity in Irish owned enterprises has increased from levels of 37% of total sales in 2003 to 51% in 2014, showing continued improvements in capacity, capabilities and competitiveness.

Today, Enterprise Ireland client companies (representing only 2.7 % of all Irish-owned businesses) employ slightly more people than the IDA supported multinationals (2015 figures: EI total employment 192,223; IDA total employment 187,056). Irish companies are generally more integrated into the Irish economy. They account for 90% of all business in Ireland, and 49% of employment. However, the productivity performance of the domestic enterprise base lags that of the multinationals, and Irish owned client companies account for only €16.6bn, or 11% of our total exports.

In an environment where there are multiple external challenges that can impact on the current and future investment choices of global companies, Ireland needs to focus more than ever on developing its own enterprise base of companies that perform strongly in the domestic and near markets, but, more importantly, can compete in the global marketplace and drive economic growth and jobs. Our continued focus on supporting early stage entrepreneurship and start-ups is critical, as is the need to ensure that policies across Government are aligned to support the scaling and internationalisation of all companies with the potential to develop and sell high value-add products and services into overseas markets.

The key priorities for the Indigenous Enterprise Development Division include:

(a) Enterprise Agencies and Programmes

- Ensuring that a range of supports are available through our agencies (EI, LEOs, NSAI) to facilitate the start-up, scaling and internationalisation of Irish businesses
- Overseeing the management and development of the agencies and monitoring their performance in accordance with their Service Level Agreements
- Driving the development and performance of the recently established Local Enterprise Offices

(b) Entrepreneurship and Small Business Policy

- Driving Entrepreneurship policy through the implementation of the National Policy Statement on Entrepreneurship

⁹ Enterprise Ireland Annual Report 2014

¹⁰ CSO Business in Ireland 2012, p.16

¹¹ CSO Business in Ireland 2012, p.41

- ii. Establishing and Monitoring a range of nationally and internationally available indicators to assess national performance across the entrepreneurship ecosystem in order to inform entrepreneurship policy
- iii. Carrying out a mapping exercise to identify the wide range of supports available to entrepreneurs from multiple sources
- iv. Ensuring the voice of Small Business is factored into policy making across the system, in particular through the Advisory Group on Small Business
- v. Ensuring that the Department inputs as appropriate to the EU's eCommerce and Digital Single Market Agendas

(c) Finance for Growth and State Aid

- i. Ensuring that SMEs can access appropriate finance throughout their life-cycle, from early stage MFI, through seed and venture capital, loan guarantees etc, and through prompt payments
- ii. Implementation of State Aid Policy and National Coordination

(d) Regional Action Plans and Enterprise Initiatives

- i. Overseeing and reporting on the implementation of all 8 Regional Action Plans for Jobs
- ii. Driving initiatives in areas such as Retail, Procurement for SMEs and Corporate Social Responsibility to support competitiveness and job creation

2.2 Innovation and Investment Division Dermot Mulligan, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Innovation, Research and Development - Policy	Pauline Mulligan
Innovation, Research and Development - Programmes	Marcus Breathnach
Intellectual Property Unit	Anne Coleman Dunne
Inward Investment and North-South	Richard Scannell
Offices: Patents Office	Gerard Barrett, Controller of Patents
Agencies: SFI IDA Ireland	Prof. Mark Ferguson – Director General Martin Shanahan – CEO
North/South Body Intertrade Ireland	Thomas Hunter McGowan - CEO

The **Innovation & Investment Division** carries policy and delivery management responsibility for innovation, research, development, intellectual property, foreign direct investment and North/South activities delivered by agencies as set out below:

The Division has responsibility for:

- Developing and promoting innovation and research and development policy, leading cross Governmental coordination in these areas.
- Foreign Direct Investment, including the agency IDA Ireland. This requires engagement on FDI policy, on issues impacting FDI, individual projects, overseas Ministerial missions, financial and human resources for this area with a view to achieving ambitious 2020 job creation targets.
- A very significant part of Enterprise Ireland’s mandate, namely, research and innovation supports for enterprise, connecting enterprise to academic research, commercialisation of research from Higher Education Institutes and High Potential Start-Up companies. These supports are aimed at driving exports and creating jobs.
- Science Foundation Ireland and its mandate to support excellent research with impact in areas affecting the competitiveness of enterprise. The Division also has responsibility for the Programme for Research in Third Level Institutions.
- North/South issues and InterTrade Ireland, involving responsibilities for enterprise, innovation and research at all-island level.
- Intellectual Property policy and administration, to ensure Ireland delivers a world class IP management service. This mandate includes the Patents Office in Kilkenny.
- Leading at EU level for all Departments on research and innovation including Horizon 2020.

The key priorities for the Innovation and Investment Division include:

(a) Innovation, Research and Development

- (i) Innovation 2020 – Implement Innovation 2020, the new Strategy for Research and Development, Science and Technology, by increasing public and private investment in R&D to 2.5% of GNP by 2020, from its current level of 1.8% by:
 - As part of the Mid-Term Review of the Capital Programme, seeking to almost double public spending across all Departments in R&D in the period to 2020 XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX (about a half of this is DJEI spend);
 - Reaching 2.5% target also means a near doubling Business Expenditure on R&D by 2020
 - Drawing down €1.25bn funding under the EU Framework Programme for Research & Innovation, Horizon 2020;

- Using some of the additional Exchequer funds to expand the numbers of researchers and provide the equipment and buildings to support them, in part through a new Programme for Research Third Level Institutions (PRTLII);
 - Doubling private investment in R&D activity in public bodies, including the higher education system through collaboration supported by Science Foundation Ireland and Enterprise Ireland;
 - Continuing discussions with CERN and the European Southern Observatory on Ireland's possible membership.
- (ii) Finalising a National Research Roadmap to identify how Ireland is going to contribute to the completion of the European Research Area for the Competitiveness Council Research meeting on 27th May;
 - (iii) Following up to DJEI submission to the European Commission consultation on the concept of a European Innovation Council on Competitiveness Council on 27th May
 - (iv) Scaling up the Health Innovation Hub to the national level and other National STI Sectoral initiatives in the Energy & Marine sectors;
 - (v) Broad EU engagement on Research & Innovation;
 - (vi) Science Foundation Ireland and actions for SFI in Innovation 2020;
 - (vii) Enterprise Ireland initiatives to support company innovation and leverage the commercial potential of third level research;
 - (viii) DJEI direct support to Tyndall National Institute, a partnership with University College Cork
 - (ix) Enterprise need for Research Technology Organisations (RTOs);
 - (x) Ireland's Participation in the European Space Agency (ESA);
 - (xi) EU & International Space Industrial Policy.

(b) Intellectual Property

- (i) Implement a new certification scheme for Intellectual Property to enable small companies to qualify for the Knowledge Development Box (KDB) alongside legislation to underpin this initiative and, separately progress necessary legislative changes to patents legislation;
- (ii) Continue preparatory work in the lead up to a referendum on ratification by Ireland of an international Agreement setting up a Unified Patent Court to adjudicate on patent litigation;
- (iii) Progress amendments to copyright legislation in response to recommendations in the Report of the Copyright Review Committee.
- (iv) Examine and negotiate proposals in the Intellectual Property area emerging from the European Commission in the context of the Digital Single Market and, the Single Market Strategy;
- (v) Examination of legislative commitments in the Intellectual Property area to facilitate Ireland's bid for upcoming major sporting events

2.3 Commerce, Consumers and Competition Division

Breda Power, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Competition and Consumer Policy Section	Kieran Grace
Company Law Policy and Agencies/Offices	Colm Forde
Company Law Development & EU	Helen Curley
Company Law Audit & Accounting Policy	Sabha Greene
Business Regulation	Colm Forde
Cooperative Legislation & PIAB Liaison Unit	Colm Forde

<p>Offices: Office of the Director of Corporate Enforcement (ODCE) Companies Registrations Office, Registry of Friendly Societies (CRO/RFS)</p> <p>Agencies: Competition & Consumer Protection Commission (CCPC) Personal Injuries Assessment Board (PIAB) Irish Auditing and Accountancy Supervisory Authority (IAASA)</p>	<p>Ian Drennan – Director of Corporate Enforcement Maureen O’Sullivan – Registrar of Companies and Registrar of Friendly Societies</p> <p>Isolde Goggin - Chairperson Conor O’Brien - CEO Michael Kavanagh – CEO (Interim)</p>
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The **Commerce, Consumer and Competition Division** is the policy arm of the Department which seeks to help make markets work more effectively for consumers and the economy as a whole through the promotion of keen competition, high standards of compliance and corporate governance and consumer protection but without unnecessary regulatory costs.

The Division also provides the legislative framework for the structure and operation of companies registered in Ireland, whether domestic or foreign. It seeks to ensure a balance between simplifying the day-to-day running of a business; maintaining necessary protections for those dealing with companies, such as creditors and investors and putting in place an effective corporate governance regime to ensure compliance. This law is contained in the Companies Act 2014 and related statutory instruments. Some company law derives from EU legislation. A similar regime applies to industrial and provident and friendly societies.

The key priorities for the Commerce, Consumers and Competition Division are:

(a) Competition and Consumer Policy Section

- (i) Scheme of Proposed Consumer Rights Bill.
- (ii) Proposed EU Directives on
 - Consumer Contracts for the Supply of Digital Content and
 - Consumer Contracts for the Online and Other Distance Sales of Goods.
- (iii) Hallmarking (Amendment) Bill 2016.
- (iv) Enactment of an amendment to the Casual Trading Act 1995 to bring it into line with the requirements of the Services Directive.
- (v) Monitoring implementation and operation of the provisions of the EU Directive on alternative dispute resolution (ADR) and EU Council Regulation on the online dispute resolution platform (ODR) in Ireland.
- (vi) Monitoring implementation and operation of the new grocery goods regulations.

- (vii) Transposition of Directive 2014/104/EU on certain rules governing actions for damages under national law for infringements of the competition law provisions of the Member States and of the European Union (Damages Actions Directive).
- (viii) Transposition of Directive 2014/35/EU on the harmonisation of the laws of the Member States relating to the making available on the market of electrical equipment designed for use within certain voltage limits.
- (ix) Agreement on EU Product Safety/Market Surveillance proposals.

(b) Company Law

- (i) Enactment of the Companies (Accounting) Bill 2016.
- (ii) Implementation of the EU audit reforms by way of EC (Statutory Audits) Regulations, enactment of the Statutory Audits Bill and the resourcing of IAASA.
- (iii) Accounting & audit standards – Prescribing standard setter and review of exemption for non-EU companies.
- (iv) Provide Secretariat support to the Company Law Review Group (CLRG) 2014-2016- (Plenary meetings and 10 sub-committees). Reconvene the CLRG for 2016-2018 and determine the CLRG Work Programme 2016-2018.
- (v) Twin track examination of company law in insolvency situations with a focus on employees’ rights and creditor protection.
- (vi) Participate in negotiations on EU proposals in the area of company law.
 - Shareholders Rights Directive.
 - Single Member Company.
 - Codification of certain aspects of Company Law (EU Directives)
- (vii) Measures required to implement EU law - Follow on actions arising from recast and amended EU Insolvency Regulation.

(c) Cooperative Unit & PIAB Liaison Unit

- (i) Personal Injuries Assessment Board (PIAB) – review and amend the PIAB legislation to address various operational issues.
- (ii) Engage further with the Department of Finance in relation to the prudential supervision gap in respect of certain Friendly Societies (FS) and Industrial and Provident Societies (I&Ps).
- (iii) Conduct a comprehensive root and branch review of the Industrial and Provident Societies Acts 1893 to 2014 with a view to their modernisation, reform and consolidation.

(d) Business Regulation

- (i) Communications: BusinessRegulation.ie Portal & Taking Care of Business
- (ii) Represent Ireland at EU and International fora in relation to Better Regulation issues

2.4 Labour Affairs Division Martin Shanagher, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Workplace Relations Liaison Unit Industrial Relations Unit Employment Appeals Tribunal	Stephen Curran
Economic Migration Policy Unit Labour Market and EU EPSCO Policy Unit	Fiona Flood
Employment Rights Policy Unit	Dermot Sheridan
Health Safety & Chemicals Policy Unit	Paul Cullen
Low Pay Commission	Máire Ní Chuiric
Internal Audit	Vacancy PO Accountant
Offices :	
Workplace Relations Commission ¹² Labour Court Low Pay Commission	Kieran Mulvey – Director General Kevin Duffy - Chairman Donal de Buitleir - Chairman
Agencies: HSA	Martin O'Halloran - CEO

The role of the **Labour Affairs Division** is to work at national and international level to ensure employment rights are appropriate and respected; that our policy, legislative and institutional framework promotes harmonious industrial relations; that the minimum wage is appropriate; that occupational health and safety and chemicals regulation is respected; that any disputes or breaches are handled efficiently and effectively; that Irish EU employment policy positions are clear and co-ordinated; that a skills based economic migration policy is efficiently implemented; that the highest standards of internal corporate governance is promoted through the work of the Department's Internal Audit function.

The key priorities for the Labour Affairs Division are:

- a) **Workplace Relations**
- (i) Ensure that the Workplace Relation reforms are bedded down in relation to the recent formation in late 2015 of the Workplace Relations Commission (incorporating the LRC/Rights Commissioners/NERA/Equality Tribunal and first instance functions of the EAT) - and a separate appeals body which will effectively be an expanded Labour Court. The division needs to ensuring that the organisation is functioning effectively with the development of new case management IT system, new streamlined work processes, new staffing structures, new accommodation solution, enhanced customer service. Some critical leadership positions are being vacated by mid-year and need to be filled.
 - (ii) Ensure the orderly winding down of the Employment Appeals Tribunal (EAT).

¹² The first instance functions of the Employment Appeals Tribunal (EAT) were taken over by the Workplace Relations Commission on 1st October 2015. The EAT appellate functions were transferred to the Labour Court. However, The Employment Appeals Tribunal (EAT) cannot be wound up until it has disposed of its legacy caseload which may take between 18 and 24 months.

b) Industrial Relations

- (i) Given that pay pressures are likely to intensify in a rapidly recovering and growing economy remain ready to respond to any move by Government to evolve new structures to help manage industrial relations tensions that may emerge.
- (ii) Defend challenges to the JLC system and respond to any adverse outcomes.
- (iii) Monitor and respond to individual Industrial Relations disputes as they arise.

c) Economic Migration/Employment Permits

As skills shortages continue to grow and spread to a wider number of occupations and sectors it is critical that our economic migration/employment permit system can respond to emerging needs. To this end we will:

- (i) Introduce a new Online Employment Permit application system
- (ii) Bi-annually review the Highly Skilled Eligible Occupations List (HSEOL) and Ineligible Categories of Employment List (ICEL)
- (iii) Review the employment permit minimum remuneration thresholds
- (iv) Review the Atypical Working Scheme with the Department of Justice and Equality
- (v) Review employment permit fees

d) Labour Market/EPSCO

- (i) Lead cross-departmental co-ordination for the Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council and represent DJEI on the EPSCO preparatory Committee, the Employment Committee (EMCO). Coordinate employment-related aspects of the Semester process, notwithstanding almost all labour market activation measures now lie with other Departments. Details of Council meetings are included in Section 1.6 above.
- (ii) Coordinate delivery of the Labour Affairs Division actions in Pathways to Work Strategy 2016-2020, the twin track to the Action Plan for Jobs. In this context, ensure smooth operation of the Protocol between DSP, DJEI and the enterprise agencies to maximise the recruitment of suitably skilled people from the Live Register.

e) Employment Rights

- (i) Develop appropriate policy responses to the University of Limerick Study on zero hour contracts/low hour contracts
- (ii) Consider of policy issues arising from the work of the duo of experts appointed to examine existing employee protections and the interface between company law and employment law, in light of certain company closures.
- (iii) Transpose the Posted Workers Enforcement Directive by mid 2016
- (iv) Prepare for Ireland's term of Titulaire member of the Governing Body of the International Labour Organisation (ILO) 2017-2020
- (v) Input to or develop responses to a range of issues that continue to be controversial such as retirement age issues, bogus self-employment, treatment of Au-Pairs, sleepover rules or abuses of employment rights generally such as the response to the treatment of non-EEA nationals in the Irish fishing fleet.

f) Health and Safety/Chemicals

- (i) Reinforce the strategic enforcement of Safety & Health legislation at workplace level by enabling the sharing of administrative data on employer names and economic sectors;

- (ii) Ensure the continuation of essential construction safety schemes in view of current issues raised (by SOLAS and QQI) about the organisation, governance, and delivery of these schemes and their linkage to the national certification framework.
- (iii) Assess the impact of EU Chemicals Policy (REACH) on the Irish economy and the experience of companies of the REACH registration /authorisation processes;
- (iv) Explore the synergies between occupational safety and health (OSH) policy and farm safety standards in EU agriculture policy through engagement so as to incentivise promotion of a prevention culture and reverse the high incidence of farm injuries.
- (v) Review of Dangerous Substance Regime and implementation of programme of legislative reform;
- (vi) Replace the outdated Carriage of Dangerous Goods by Road Act of 1998 to facilitate adaptations to progress and the requirements of industry and trade.

g) Low Pay Commission

2016 priorities:

As well as making recommendations to the Minister regarding the national minimum hourly rate of pay (by 21 July 2016) the Commission has also been requested to

- (i) examine the appropriateness of the sub-minima rates as currently provided for in the National Minimum Wage Acts with regard in particular to their impact on youth unemployment rates and participation in education (report due by the end of October 2016);
- (ii) examine the issues surrounding the preponderance of women on the NMW and report its views in relation to the underlying causes (report due by end October 2016).

h) Internal Audit

- (i) Provide a risk-based internal audit service in compliance with Department of Public Expenditure and Reform (DPER) requirements.
- (ii) Provide assurance to the Accounting Officer (Secretary General of the Department) regarding the internal control systems of the Department and those Offices directly within the remit of the Department.
- (iii) Complete the annual audit plan for 2016 approved by the Audit Committee and Secretary General as part of a rolling three year strategic audit plan.

2.5 Corporate Services, EU Affairs and Trade Policy Division

Philip Kelly – Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
EU Affairs and Single Market Unit	Conor Verdon
Trade Policy Unit	Lorraine Benson
Permanent Representation Brussels	Tommy Murray Anne Marie Finlay
Permanent Representation Geneva	John Newham
Irish Embassy, London	Declan Morrin
Human Resources Learning & Development Business Services Unit	John Hughes
Finance Unit	Cathal O’Gorman
Management Support Unit FOI and Customer Service Unit Communications Unit	Michael O’Leary
ICT Unit	Pat McCourt
Department Legal Advisor	Lynn O’Sullivan - Legal Advisor
Press Office	Marie McMahon – Press Officer

The **Corporate Services, EU Affairs and Trade Policy Division** defines, coordinates and develops our position on EU policy matters and our relationship with EU Institutions. It is responsible for the identification, formulation and development of Ireland’s international trade policies, including at European Union trade policy negotiations and through active participation in the World Trade Organisation. The Division also has responsibility for import and export licensing.

The mission of the Corporate Services business units in this division is to further the development of staff, support structures and systems to assist the Department in achieving its strategic objectives and in implementing a programme of continuous improvement. These business units provide a wide range of corporate support services and governance oversight and compliance support across the Department. This includes, but is not confined to, areas such as human resources, learning and development, performance management, accommodation, asset management, procurement, ICT strategy and supports, budgeting and management reporting, financial services, compliance with the requirements of public financial procedures and financial accounting, Government reporting, risk management, Freedom of Information, data protection, Irish Language, and quality customer service.

The main priorities for the Corporate Services, EU Affairs and Trade Policy Division are:

(a) EU Affairs

- (i) Optimising Ireland’s engagement at the EU Competitiveness Council – Single Market and Industry Issues
- (ii) Monitoring DJEI interests in EU-UK Negotiations / UK Referendum
- (iii) Advancing Ireland’s position in the context of the EU’s Single Market Strategy
- (iv) Ensuring all Government services to business are available online by November 2017
- (v) Driving Implementation of the Services Directive

(b) Trade

- (i) Advance Irish interests in EU bilateral trade negotiations, **specifically TTIP**, and in pluri-lateral and multi-lateral trade negotiations and in EU trade legislation
- (ii) Support and promote Bi-lateral trade
- (iii) Administration and wind-down of export credit guarantee scheme

(iv) Manage Ireland's export control regime

(c) Human Resources

- (i) Manage the HR demands (including Learning & Development) for the Department within budget limits
- (ii) Manage the State Boards Appointments process and Agency Staffing demands

(d) Accommodation

- (i) Co-ordinate the OPW-led moves of a number of Business Units (CRO, Finance Unit, Labour Affairs Divisions etc.) from current locations to new ones on foot of the State not renewing various leases across Dublin

(e) Finance

- (i) Preparation of detailed briefing material for the Minister's presentation of the 2016 JEI Estimate to the Oireachtas Select Committee on Jobs, Enterprise & Innovation – date to be determined (likely May/June).

(f) ICT

- (i) Delivery of the Department's ICT Strategy

(g) Governance

- (i) Supporting good corporate governance in the Department, as set out in its Governance Framework e.g. Freedom of Information, Risk Management, Data Protection etc
- (ii) Provision of a range of supports to the Management Board and the Ministerial Management Board

(h) Strategic Planning

- (i) Developing the Department's Statement of Strategy and reporting annually on this

(i) Coordination

- (i) Co-ordinating responses on behalf of the Minister to certain PQs and Government Memos and periodic central reporting, on behalf of the Department on certain matters, e.g. legislation, Programme for Government.
- (ii) Manage DJEI Consultancy Budget (c. €1.2m).

(j) Legal Advice

- (i) Provide internal legal advice to support the business of the Department.

(k) Press Office

- (i) Delivery of an effective press office service.

2.6 Strategic Policy Division Declan Hughes, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Enterprise Policy, Tax and Economic Infrastructures	Maria Ginnity
Action Plan for Jobs & New Sources of Growth	Karen Hynes
Skills & Education, Enterprise Programmes and Policies Evaluations	William Parnell
Economic Analysis, Competitiveness, and Surveys	Marie Bourke
Research and Innovation	John Dooley

The Strategic Policy Division (SPD) is focused on designing and evaluating ambitious enterprise and jobs strategies and in supporting the formulation and development of policy across the Department. The key elements of the role of SPD include the areas of Enterprise Policy, Competitiveness, Horizon Scanning, Tax Policy, Education, Skills and Labour Market analysis, the Action Plan for Jobs, economic infrastructure and research and technical support in the areas of Trade, Research & Innovation and Climate Change, together with economic and data analysis generally and evaluation of enterprise policies and programmes. SPD provides for a coherent national enterprise policy perspective and co-ordinated the preparation the medium term strategy Enterprise 2025 and co-ordinates the development of the annual Action Plan for Jobs, working with other government departments and agencies, towards the objective of achieving the Government's objective of sustainable full employment.

The Department's enterprise, innovation and science surveys activity, which provide a key element of the enterprise policy research capability are also undertaken by the SPD.

SPD also supports the work of the National Competitiveness Council and the Expert Group on Future Skills Needs. Both the NCC and Expert Group publish their advice and reports on their respective websites.

The key priorities for the Strategic Policy Division include:

(a) Action Plan for Jobs

- (i) Working jointly with the Department of the Taoiseach across Government to progress implementation of the APJ, monitoring implementation of the DJEI/agency actions and engaging with the Industry Partners.
- (ii) Progressing the development of the Action Plan for Jobs 2017 and representing the interests of DJEI on relevant Senior Officials Groups and inter-departmental committees.

(b) Enterprise Policy Priorities - Enterprise 2025

- (i) Identifying key enabling measures to progress the actions set out in Enterprise Policy 2025, working with colleagues across DJEI, the agencies and external stakeholders.
- (ii) Developing a coordinated approach to ecosystem development and clustering initiatives with DJEI Divisions and agencies, including through the updating of sector briefs.
- (iii) Securing delivery on EP2025 targets by inputting to the development of a successor to the Trade, Tourism and Investment Strategy with the Trade Policy Division.

(c) Skills & Education

- (i) Identify the emerging and future skills needs of enterprises and, through the Expert Group on Future Skills Needs (EGFSN), making recommendations to address these needs.
- (ii) Work with DES on the implementation of the National Skills Strategy, with a particular focus on ICT and Biopharma skills and Lifelong Learning, and support the work of the new National Skills Council and the Regional Skills Fora.

- (iii) Refresh the mandate of the EGFSN to reflect its role in the new national and regional education structures outlined in the National Skills Strategy (i.e. National Skills Council, Regional Skills Fora).

(d) Competitiveness

- (i) Deliver the National Competitiveness Council's core analysis and independent policy advice through research, preparation of reports on the Costs of Doing Business, Competitiveness Scoreboard and Competitiveness Challenge and input to the Action Plan for Jobs
- (ii) Develop policy options to improve productivity
- (iii) Assess factors influencing housing supply and affordability as it impacts on competitiveness as input to the Department of the Environment and wider Government deliberations on the housing issue⁴.

(e) Tax & Pensions Reform

- (i) Coordinate the DJEI and agency Pre Budget Submission 2017 and engage with the Tax Strategy Group towards achieving the Department's objectives.
- (ii) Monitor and assess the implications for Ireland of developments in international taxation.
- (iii) Coordinate the DJEI analysis and inputs on Universal Retirement Savings Proposals.

(f) New Sources of Growth

- (i) Develop the case for public investment in RD&I and Knowledge Capital development
- (ii) Ensuring enterprise needs are to the fore in a new national Digital Economy strategy
- (iii) Roll-out of the Integrated Licensing Application System, Licences.ie

(g) Innovation

- (i) Undertake for the Innovation & Investment (I&I) Division a technology, market and enterprise horizon scanning exercise for the refresh of Research Prioritisation.
- (ii) Assess the optimal policy mix to promote business expenditure on R&D and innovation.

(h) Economic Infrastructure

- (i) Assessing and advising on the economic infrastructure investment, policy and regulatory priorities of DJEI in the areas of water, energy, roads, waste/circular economy and broadband to support FDI and SMEs competitiveness and investment.
- (ii) Ensuring an enterprise policy orientation in medium/longer term spatial strategies and frameworks (the successor to National Spatial Strategy), working with DoECLG.

(i) Climate Change

- (i) Provide for co-ordinated DJEI technical analysis and policy input on the enterprise dimensions of climate change targets and policy.

(j) Surveys & Evaluations

- (i) Produce the annual employment and annual business expenditure surveys of agency clients; conduct the R&D in Higher Education survey and Government Science Budget and submit to Eurostat and the OECD; undertake related statistical analysis.
- (ii) Undertake evaluations of enterprise development agency programmes, with a particular focus in 2016 on Ireland's participation in EU Framework Programmes for Research and Technological Development, the overseas office network of the enterprise agencies, and initiating a review of the economic appraisal model of the enterprise agencies.

2.7 Construction Contracts Unit
Loughlin Quinn, Director

The Construction Contracts Adjudication Service provides ongoing administrative support for the implementation of the Construction Contracts Act, 2013. The Act, when commenced will provide new legal rights and obligations on the parties to a construction contract in relation to payment arrangements and will also provide access to adjudication in respect of payment disputes. The Construction Contracts Unit will, following the commencement of the Construction Contracts Act, 2013, provide administrative support to the Chairperson of the Construction Contracts Adjudication Panel in relation to his role in appointing adjudicators from the Ministerial appointed Panel of Adjudicators to payment disputes on the request of a party to the dispute.

The key priority for the Construction Contracts Unit:

Implementation of the Construction Contracts Act, 2013

The Minister will be required to approve and sign a Code of Practice on the conduct of adjudications under section 9 of the Construction Contracts Act, 2013, which will then be published. The published Code of Practice will be binding on all adjudicators operating under the Act.

Section Three ~ Details of Key Issues by Division

3.1 Indigenous Enterprise Development Division Clare Dunne, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Enterprise Agencies and Programmes Unit	Eugene Forde
Entrepreneurship and Small Business Policy Unit	Nina Brennan
Regional Action Plans and Enterprise Initiatives	Eadaoin Collins
Finance for Growth and State Aid	Páraig Hennessy
Agencies: Enterprise Ireland National Standards Authority of Ireland	Julie Sinnamon – CEO Maurice Buckley - CEO

Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
Enterprise Agencies and Programmes Unit	Eugene Forde

Item:

Developing Strong Irish Businesses

Summary:

Objectives

Enterprise Ireland (EI) is the Department's main agency for developing Irish business. EI's primary goal is to start, scale, internationalise Irish businesses. And increase the innovative capacity of Irish businesses. EI has approximately 5,000 clients, of which approximately 3,000 are actively engaged with EI. The Department allocates an annual budget to EI to enable it to carry out its mandate. A Service level agreement is concluded annually between the Department and EI setting out the key activities, deliverables and performance metrics for the year ahead. The Research, Development and Innovation activities of EI are overseen by the Innovation & Investment Division of the Department.

The Agency provides financial support for the development of Irish companies by making direct investments (grants and equity) in individual client projects and indirectly through participating in seed and venture capital funds. EI also provides a significant range of 'soft' supports to companies by way of management and leadership development, mentoring, business development and overseas market supports. EI also invests in R&D infrastructure to strengthen the R&D capability in industry and spin-off technology start-ups, and has a network of 38 offices across the globe to help companies in accessing overseas markets.

EI delivers a range of supports across key sectors e.g. Food and beverage, industrial, lifesciences, ICT and international services. EI is also working to develop foresight strategies and clusters of sectoral excellence in 'new sectors' such as digital media, cloud computing, mobile applications, medtech, e-health, cleantech and complex manufacturing.

EI has a strong working relationship with partners across Government Departments and Agencies. EI's work with the Department of Foreign Affairs & Trade (DFAT) primarily relates to trade missions, Joint Economic Commissions and matters relating to the Export Trade Council. EI also has close working relationships with DFAT's Overseas Missions, in particular in the areas of messaging, international communications and foreign Government networks.

EI also works closely with Department of Agriculture, Food and Marine (DAFM) and Bord Bia on the promotion of the Food sector internationally and the attraction of FDI in this key area. In addition to supporting the internationalisation of Irish companies, EI, working in collaboration with IDA Ireland, is focused on targeting internationally mobile start-ups.

EI is also heavily engaged in delivering actions in the Action Plan for Jobs (APJ), monitoring and financing of regional APJs, delivering numerous actions under the Entrepreneurship Policy Statement and in the development and management of the Local Enterprise Offices.

Funding and Staffing Resources

EI is funded through a combination of Exchequer Grants and Own Resource Income. EI total expenditure for 2016 is over €360m comprising mainly €60m in company grants and equity investment, €45m in support to seed and venture funds, €30m on Local Enterprise Offices, €117.6 m on R&D investments and programmes as well as €80m on pay and non-pay administration.

EI is undertaking a transformational agenda including significant downsizing (from 797 at end 2011 to 597 at end 2016). This is taking place in the context of recent budgetary cuts and a fixed Departmental capital budget for the foreseeable future, requiring them to raise a growing part of their expenditure from Own resource Income (i.e. returns on their investments).

EI currently has just under 600 permanent staff with a further 100 staff on short term contracts in overseas offices. Headquartered in Eastpoint Business Park, Dublin 3, EI also has 9 regional offices across the country and 38 overseas offices.

2016 is the final year of its 2014-2016 Strategy "Driving Enterprise, Delivering Jobs" and EI is well on the way to delivering on its key target of creating an additional 40,000 jobs by 2016. In 2015, EI client companies' total employment topped 192,223, a record high for the agency. In 2016, Enterprise Ireland is targeting its clients to deliver 12,000 new jobs, €22bn in exports (from €18bn in 2013) and €2.4bn in new exports.

Next
steps/
timeframe

Strategic Priorities

The principal challenge facing EI is to maintain or improve on the level of performance over recent years against a backdrop of resource constraints and an uncertain global economic climate. This will be addressed through the Board's new Strategy 2017-2020 to be developed in 2016. Operationally, managing a downsized organisation, generating adequate income from investments and rolling out a new engagement model to clients will be major challenges.

Key strategic priorities for 2016 include:

1. Delivering a new Client Engagement Model (CEM), providing a more integrated and targeted programme of supports designed to drive more rapid international scale in companies.

- 2. Intensifying innovation efforts by building company capabilities and linkages and optimising state investment in third level research.
- 3. Anticipating medium-term areas of opportunity, by focusing on High Growth Markets, developing market-driven technology road maps for key sectors, and using EI’s market and technology strengths to validate and enrich clients’ development ideas.

Lead officials: A/Sec: Clare Dunne, ext 2186 PO: Eugene Forde, ext 2155

Item: **Local Enterprise Offices: Delivering Jobs at Local Level**

Summary: **Objectives**

The role of the Local Enterprise Offices (LEOs) is to promote entrepreneurship at local level; to provide information, guidance and ‘soft’ supports such as mentoring and training to people seeking to start or grow a business; and to provide grants to micro enterprises (<10 employees). The LEOs serve as a ‘first stop shop’ for supports, information and referrals of relevance to small and micro businesses seeking to develop and grow.

Activities and Outcomes in 2015 include:

- LEO clients currently employ 32,592 people (full-time and part-time) XXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
- XX:
 - XX.
 - XX.
 - XX.
- The LEOs received 1,398 applications under the Ireland’s Best Young Entrepreneur (IBYE) competition.
- XX
XXX
XXXXXXXXXXXX.
- XX
XXX
XX.
- The LEOs organise major national promotions on a collaborative basis, such as National Enterprise Awards, Ireland’s Best Young Entrepreneur (IBYE), the Student (2nd level) Enterprise Awards. Enterprise Week, a major presence at the National Ploughing Championships, and a major presence at Showcase – the international crafts and design fair.
- The LEOs are major contributors to the National and Regional Action Plans for Jobs.
- The LEOs provide information on a range of public sector supports to enterprise development under protocols with agencies including Credit Review Office, Department of Social Protection (DSP), Education & Training Boards Ireland (ETBI), Fáilte Ireland, Micro Finance Ireland, National Association of Community Enterprise Centres (NACEC), Revenue, and Skillnets. Draft Protocols and Memos of Understanding (MOUs) are being developed with the Design and Crafts Council of Ireland (DCCOI), LEADER [Local Area Groups (LAGs)], Strategic Banking Corporation of Ireland (SBCI) and Údarás na Gaeltachta.

Resources

The LEOs are a partnership between EI and the Local Authorities. The LEOs are Units within the Local Authority but policy, funding and legal responsibility rests with EI and this Department. There is a Service Level Agreement (SLA) between EI and each Local Authority (LA).

The LEO Budget, managed by EI, is approx. €29.5m per annum, €9m on staffing and related resources and €18.5m on grants and other supports. In 2015, an additional €5m Competitive Fund was made available to encourage LEOs to collaborate in support of regional development. At time of writing, a decision on the initial tranche of successful applications (c1.5 million) is awaited.

There are approx. 180 staff across the LEOs, of which 120 (former County Enterprise Board (CEB) staff) are funded by this Department with the balance provided by the LAs. This Department has also funded 26 graduates for the LEOs for a period of 2 years from June 2015.

Challenges

Overall the delivery of the LEO project has been successful, with LEO activity and performance maintained at a strong level. However some aspects continue to be addressed:

- Differential performance across the 31 LEOs
- Inequitable resourcing (staffing) of the LEOs due to legacy issues and delayed recruitment of replacements (see below under strategic priorities)
- Dilution of the LEOs job creation and micro-enterprise development mandate due to 'Mission creep' and extra demands especially due to additional 'asks' arising from broader policy initiatives and objectives, e.g., the APJ, Regional APJs and Local Authority economic development objectives
- Ensuring that the LAs / LEOs remain strategic partners with EI on implementing micro-enterprise policy at local level

EI has commenced an evaluation in individual LEOs of performance, potential and resources.

Strategic priorities

Next
steps/
timeframe

- Completion by EI of a detailed performance, potential and resource evaluation of a selection of individual LEOs to inform future LEO policy
- EI to develop and introduce a LEO customer relationship management system (CRMS) to ensure consistent and more comprehensive monitoring and measurement of all LEO activities and outcomes across all LEOs
- Strengthen LEO portfolio management and client engagement approach
- Address legacy resourcing and funding issues in partnership with EI and the Local Authorities (CCMA) including possible conversion of pay/non-pay budget to a block administration grant
- Strengthen the EI and LA strategic partnership through establishment of a high level management and operations group. Key aspects of the LEO project - business planning, performance management, customer service/training/protocols, communications, and best practice, will require sustained investment and cooperation by EI and the LAs.
- Engage with EI in developing an SLA for the overall management and development of the LEOs.
- Engage with the Department of Environment, Community & Local Authority (DECLG) to agree strategic direction and shared agenda.

A/Sec: Clare Dunne, ext 2186

PO: Eugene Forde, ext 2155

Lead officials:

Developing and Applying Regulatory Standards for Business

Item: The National Standards Authority of Ireland is responsible for developing and promoting standards, both national and international, governing a variety of business products and services, for example in the construction or medical device sectors, or business organisational standards such as the ISO standards. NSAI also certifies businesses to qualify these standards (e.g. taximeters, motor vehicles). It also conducts market surveillance for the purpose of fair trade and consumer protection in relation to weighing and measuring instruments.

Challenges

The NSAI has had to considerably reduce its staffing levels in recent years and outsource a significant element of its operations. At the same time it has tried to drive up private income from certification activities.

Next

Steps/ Timeframe: The NSAI is currently preparing its Strategy for the period 2016 to 2020.

A/Sec: Clare Dunne, ext 2186 PO: Eugene Forde, ext 2155

Lead Officials

Business Unit in the Division	Head of Unit (Principal Officer)
Entrepreneurship and Small Business Policy Unit	Nina Brennan

Item:

National Policy Statement on Entrepreneurship

Summary: The Government’s National Policy Statement on Entrepreneurship in Ireland was launched in October 2014 and sets out the Government’s strategic objectives as a facilitator within the Irish entrepreneurship ecosystem. This Policy Statement represents the first time a Government has published a comprehensive national plan for entrepreneurship in Ireland.

Covering the six key elements that impact on entrepreneurs and startups, and signposting the direction that policy will take in the coming years, the key target contained in the plan is to double the jobs impact of start-ups in Ireland over five years. This will be achieved through:

- Increasing the number of start-ups by 25% (representing 3,000 more start-ups per annum);
- Increasing the survival rate in the first five years by 25% (1,800 more survivors per annum); and
- Improving the capacity of start-ups to grow to scale by 25%.

There are 96 actions in the Policy Statement, many of which fall to be delivered outside the Department’s own remit (e.g. Department of Education, Department of Finance, etc).

Delivery is overseen through the Action Plan for Jobs (APJ) process. DJEI monitors progress against key performance indicators and works with partners in enterprise to achieve this ambition.

To drive delivery, oversee implementation and monitor progress an Implementation Group was established in 2014, chaired by the Minister for Jobs, Enterprise and Innovation. Its membership is drawn from the enterprise agencies and the key collaborative Departments across the entrepreneurship ecosystem (Dept. of Education and Skills, Dept. of Finance), as well as private sector entrepreneurs. The Group also considers any innovative new issues that can improve the entrepreneurship ecosystem. A Progress Report for the Group was completed in December 2015 and has identified future actions.

Nextsteps/
timeframe:

Next Steps for 2016:

- Establishing and monitoring a range of nationally and internationally available indicators to assess national performance across the entrepreneurship ecosystem in order to inform entrepreneurship policy in conjunction with the National Competitiveness Council and the Department of Education and Skills (Action 166 in the APJ)
- Carrying out a mapping exercise to identify the range of supports available to entrepreneurs (Action 167 in the APJ)
- Driving the focus on entrepreneurship in the education system
- Encouraging and facilitating an increase in companies trading on-line - increasing sales and export opportunities
- Research into the persistent divergence in SME interest rates between Ireland and the euro area.

Lead
Officials:

A/Sec: Clare Dunne, ext 2186 PO: Nina Brennan, ext 2257

Item:

Advisory Group on Small Business, SME Envoy for Ireland and “Think Small First” A “Small Business Act” for Europe

Summary:

Ireland’s SME sector was one of the hardest hit by the economic crisis in the EU. While employment and value added have not yet returned to pre-crisis levels, the sector has shown a strong recovery since 2011: in 2015 the European Commission’s Small Business Act for Europe (SBA) fact sheet rated Ireland as one of the most SME-friendly environments in the EU. Ireland is the top performer in the EU in “second chance” and “internationalisation”. This latest fact sheet notes that conditions have steadily improved in almost all SBA areas since the SBA was adopted in 2008, and that this recovery has been accompanied by substantial policy reform efforts in most SBA areas with a particular focus on access to finance and entrepreneurship.

The **Advisory Group on Small Business (AGSB)** was established by the Taoiseach in June 2011 with the objective of facilitating structured and regular dialogue between the Minister and representatives of the Small Business sector. The Group was chaired first by the Minister for Small Business and subsequently by the Minister for Business and Employment. The terms of reference include:

- Providing on-going assistance and advice to the Minister for Business and

Employment, Government Departments and Agencies on any issues affecting SMEs by identifying the issues impacting on the growth and development of SMEs, suggesting priorities and examining possible solutions;

- Providing assistance and advice to Government Departments and Agencies when consultation with SMEs is required;
- Promoting business growth in the SME sector through other initiatives, as required, and as agreed with the Minister for Business and Employment.

Membership of the AGSB includes entrepreneurs, nominees from the main small business representative bodies, the Credit Review Office and officials from the Department of Jobs, Enterprise and Innovation as well as the Design and Crafts Council of Ireland and the National Association of Community Enterprise Centres. The AGSB provides a submission into the annual Budget process, and also inputs on concerns of the Small Business sector into the Action Plan for Jobs process.

“Think Small First” A “Small Business Act” for Europe (COM(2008) 394): The SBA is an overarching framework for the EU policy on Small and Medium Enterprises (SMEs). It aims to improve the approach to entrepreneurship in Europe, simplify the regulatory and policy environment for SMEs, and remove the remaining barriers to their development.

The SBA is driven by the “Think Small First” Principle. As 99% of companies in the EU are SMEs, legislation and administrative procedures should distinguish on the basis of company size. “Think Small First” aims to ensure SMEs’ interests are taken into account at a very early stage of policy making.

Rather than being a legislative Act, the SBA contains a number of legislative proposals, 10 guiding principles and measures to be implemented at EU and Member State levels with the aim of helping SMEs.

SME Envoy Network: As part of a Review of the SBA, the role of SME Envoy was established in 2011, with the Commission inviting Member States to nominate a national SME Envoy to complement the role of the European Commission’s SME Envoy. Together with representatives of EU-level SME business organisations, the Network of SME Envoys make up the SBA advisory group.

In most Member States, the national SME Envoy role is filled by a Senior Official from the Ministry or Agency with the remit of SME Policy. Ireland is one of the few Member States that has appointed a Minister (first the Minister for Small Business and later the Minister for Business and Employment) as its SME Envoy.

The objective of the SME Envoys, through the SME Envoy Network, is to provide an authoritative voice on SME issues across the EU. It focuses on strategic issues related to the SBA implementation and provides an integral view on EU policy, which may have an impact on EU SMEs. The SME Envoy Network also reports to the COMPET Council in relation to progress on the implementation of the SBA across Member States.

Next steps/
timeframe **AGSB:** Ongoing. Typically about 5 meetings per year.
 SBA: Ongoing.
 SME Envoy Network: Ongoing. Next meeting of SME Envoy Network will take place in Amsterdam 1st April.

Officials: A/Sec: Clare Dunne, ext 2186 PO: Nina Brennan, ext 2257

Item:

Service Ireland's EU e-Commerce role and act as DJEI lead in relation to the Digital Single Market

Summary: The Unit has responsibility for **eCommerce Directive (2000/31/EC)** and the Statutory Instruments that transposed the Directive – European Communities (Directive 2000/31/EC) Regulations 2003 (SI No 68 of 2003), and European Communities (Amendment of SI No. 68 of 2003) Regulations (SI No 490 of 2004).

Examples of services covered by the Directive include online information services (such as online newspapers), online selling of products and services (books, financial services and travel services), online advertising, professional services (lawyers, doctors, estate agents), entertainment services and basic intermediary services (access to the Internet and transmission and hosting of information). Also included are services provided free of charge to the recipient and funded, for example, by advertising or sponsorship.

As a result of having the responsibility for the Directive the Unit is the national contact point for the purposes of Article 19(2) of the Directive. Under Article 19(2) Member States shall cooperate with other Member States: they shall, to that end, appoint one or several contact points, whose details they shall communicate to the other Member States and to the Commission.

In 2005 an expert group on electronic commerce was established. It is made up of the Article 19(2) contact points and the Commission. This Group will be serviced by the Unit.

The **Digital Single Market Strategy (DSM)** was adopted on 6 May 2015. The Commission considers that DSM can create opportunities for new startups and allow existing companies to compete and trade across borders in a market of over 500 million people. Ensuring a properly functioning Digital Single Market could contribute €415 billion per year to Europe's economy, create jobs and transform our public services.

The Commission claims that an inclusive DSM also has benefits for citizens, provided they are equipped with the right digital skills. Enhanced use of digital technologies can improve citizens' access to information and culture, improve their job opportunities, and can promote modern open government.

The DSM includes 16 initiatives, under 3 pillars, to be delivered by end 2016:

1. Access: better access for consumers and businesses to digital goods and services across Europe;
2. Environment: creating the right conditions and a level playing field for digital networks and innovative services to flourish;
3. Economy & Society: maximising the growth potential of the digital economy.

The initiatives span both inter- and cross-Departmental work areas.

As part of the DSM Strategy, the Commission is conducting public consultations on various issues. This Unit co-ordinates the Department's internal view on these issues and also makes our external stakeholders aware of the consultations.

Next steps/
timeframe E-Commerce – this Unit will continue to represent Ireland’s interests in the context of the eCommerce Directive

DSM – this Unit will continue to co-ordinate responses to issues where it is relevant or required to do so.

Lead Officials: A/Sec: Clare Dunne, ext 2186 PO: Nina Brennan, ext 2257

Business Unit in the Division	Head of Unit (Principal Officer)
Regional Action Plans and Enterprise Initiatives	Eadaoin Collins

Item: **Oversee and report on the implementation of 8 Regional Action Plans for Jobs**

Summary: All 8 Regional Action Plans (Midlands, South East, South West, Mid West, West, North East/ North West, Mid East, and Dublin) have been published. Up to €250 million has been announced and is due to be made available over the next five years to support the process.

Of this, IDA Ireland will be investing in a €150m Regional Property Programme, subject to funding, to ensure that there is sufficient availability of utility intensive Strategic Sites, quality Business Parks and Advance Building Solutions to attract investment to the regions.

The intention is that a further sum of up to €100 million will be made available through Enterprise Ireland over the next five years, through three regional competitive calls, to support innovative and collaborative approaches to stimulate job creation across the regions. In the case of all three funding calls, a collaborative approach, tangible jobs impact, enterprise start-up and scaling are amongst the criteria against which applications will be measured.

Monitoring of the Plans

Each Plan will be overseen by a Regional Implementation Committee, comprising, local authorities, LEOs and other key stakeholders and agencies. Key regional industry figures have been appointed to act as *Enterprise Champions* within each Committee, to bring their business acumen and skills to bear on implementation and ongoing development of the plans.

Next steps/
timeframe Twice yearly Progress Reports will be published in each region setting out the progress on each of the actions due for delivery. The first reports will be published in July 2016 covering the implementation period to end H2 2016.

Lead officials: A/Sec: Clare Dunne, ext 2186 PO: Eadaoin Collins. Ext 2346

Support Corporate Social Responsibility (CSR)

Item:

Summary: CSR can be defined as the responsibility that an enterprise has for its impacts on society, including the environment, its employees, customers, and the community CSR can bring competitiveness benefits to organisations, large and small.

In response to a call from the EU, DJEI produced Ireland's first CSR National Plan in April 2014. The Plan gives a strong signal to enterprise that Government has an expectation that business will behave in an ethical manner and this policy direction on CSR has been particularly welcomed by enterprise.

DJEI has convened a CSR Stakeholder Forum to help achieve the objectives of the Government's National Plan on CSR. It brings together private enterprise, business representative bodies, key Government Department and agencies, and the wider community to work collaboratively to promote CSR. There is significant buy-in to the process from senior business figures; the current Chair of the CSR Stakeholder Forum is Mr Brendan Jennings, Managing Partner of Deloitte Ireland.

Next steps/
timeframe:

- Commence development of second National Plan on CSR (Q3/4 2016)
- Engage with EU on CSR agenda, which is likely to be a key focus of the Dutch Presidency

Officials: A/Sec: Clare Dunne, ext 2186 PO: Eadaoin Collins. Ext 2346

Supporting the Retail Sector

Item:

Summary: With over 270,000 people employed in Wholesale and Retail, the sector has a key part to play in the Government's objective in getting people back to work. Retail provides employment to people in every town in the country. A vibrant retail sector breathes life into towns and communities. In addition, Retail indirectly supports jobs in other areas, such as logistics and distribution and provides an important outlet for Irish products, thereby supporting more jobs.

The Retail sector experienced a considerable number of job losses over the period 2008-2012 as a result of the economic crisis. The number of people employed in Wholesale and Retail fell from 319,600 in Q1 2008, to 268,200 by Q2 2012. Recovery in employment figures has been slow and employment levels have fluctuated over the last number of years. However, over the last two and a half years, there has been a very gradual increase in the numbers employed in the sector with the latest CSO figures showing that 273,800 people were employed in Wholesale and Retail in Q3 2015.

Income tax measures introduced in Budget 2015 have played a significant role in the recovery in retail sales figures. This is likely to continue in 2016 as Budget 2016 puts more money back into people's pockets. In spite of its resurgence, however, the retail sector does face significant challenges, in particular with regard to increasing sustainable employment in the sector, tackling the difficulties faced by town and village centres across the country and the threat from external online retailers.

The Retail Consultation Forum provides a platform for engagement between the retail sector and relevant Government Departments and bodies to discuss and identify actions that can be taken to address the challenges that the sector faces. Much of its focus in 2015 centred on the report, published in March by the Joint Oireachtas Committee on Jobs, Enterprise and Innovation, *Policy Options to Support Business Growth and Job Creation and Retention in Town and Village Centres*.

Next steps/
timeframe: In 2016, the Forum will focus on implementing the recommendations in the above report, including examining practical measures to:

- Turn the digital economy and online trading from a threat into an opportunity,
- Collaborate across industry and the public sector to support revitalisation of town and village centres
- Examine energy cost issues for smaller retailers in particular
- Examine how training programmes can respond to the changing skills needs in the retail sector

Officials: A/Sec: Clare Dunne, ext 2186 PO: Eadaoin Collins. Ext 2346

Item: **Procurement**

Summary: The Irish Public Sector spends some €8.5bn annually on procuring goods and services. Accessing Public Procurement benefits Irish SMEs not only in terms of sales but also by acting as an important reference site for SMEs exporting to overseas markets.

Policy responsibility for public procurement rests with the Department of Public Expenditure and Reform. However, DJEI officials are involved in a number of public procurement working groups led by the Office of Government Procurement (OGP), which have, as their key objective, supporting SME access to public procurement.

Public spend data indicates that SMEs are already relatively successful in securing public service business. In March 2015, the Office of Government Procurement published a Public Service Spend and Tendering Analysis report for 2013 which indicated that approximately 66% of public service expenditure was with SMEs.

A range of initiatives have been implemented by the Government since 2013 to facilitate SME access to Public Procurement, including the delivery by Enterprise Ireland (EI) and InterTradeIreland of a number of 'Meet the Buyer' events, which provide networking opportunities for suppliers and encourage consortia-building.

Next steps/
timeframe: Continue to engage with Office of Government Procurement to progress APJ 2016 actions to drive SME access to public procurement process, in partnership with Enterprise Ireland, InterTrade Ireland and OGP.

Officials: A/Sec: Clare Dunne, ext 2186 PO: Eadaoin Collins. Ext 2346

Business Unit in the Division	Head of Unit (Principal Officer)
Finance for Growth and State Aid	Páraig Hennessy

Item:

Access to Finance for SMEs

Summary:

Finance is needed at every stage of the business development lifecycle, from start-up to growth and expansion. Access to Finance/Finance for Growth has been an issue for Irish business for many years, including well before the recent economic downturn; of particular note was an almost complete dependence on debt finance from the main banks. From 2011, Government action was targeted at SMEs whose finances were cut off by the collapse in the banks, with key initiatives including:

- The development of the Credit Guarantee Scheme 2015, supporting increased lending by domestic banks and facilitating guarantees through non-bank finance entities for the benefit of SMEs;
- Creation of Microfinance Ireland, to support early stage lending up to €25,000
- The Seed and Venture Capital Scheme (2013-2018) to leverage private capital and be the a catalyst to support innovative start-up and growth companies to scale and create jobs;
- The new Strategic Banking Corporation of Ireland (SBCI), a wholesale lending institution, which has already made available some €675 million of an initial €800 million fund through banks and other non-bank lenders, with more to come in 2016;
- Enterprise Ireland use of the €20 million European Investment Fund's (EIF) European Angels Fund, and Development Capital Scheme
- Continuation by Enterprise Ireland and InterTradeIreland of the HALO Business Angels Network to increase investment in early stage Irish companies;
- The creation of the Ireland Strategic Investment Fund (ISIF) to operate as a sovereign development fund with the capacity to invest over €7.6 billion

The SME State Bodies Group (SBG) (chaired by the Department of Finance), engages on implementation, policy innovation, monitoring and learning, and active engagement with a diverse range of public and private actors. In particular, this Department continues to focus in the SBG on broadening the range of bank and non-bank finance mechanisms available to SMEs, as well as on the issue of very high bank interest rates charged to Irish SMEs, in comparison with other countries.

Next steps/
timeframe:

The objectives for 2016 are to:

- Ensure that viable SMEs continue to access appropriate finance at a reasonable cost from both bank and non-bank sources;
- Continue to rollout, monitor and evaluate State supports for SMEs, while facilitating the development of alternative sources of finance;
- Enhance awareness amongst SMEs and entrepreneurs of State business supports, both financial and soft, in order to raise their financial capacity in either starting a business, or in growing and expanding an established business;
- Engage with International Funding Institutions to optimise returns for Ireland;
- Continue to research and learn in the area of Finance for Growth.

Officials: A/Sec: Clare Dunne, ext 2186 PO: Páraig Hennessy, ext 2486

Item: **Follow up on Credit Guarantee Act legislation**

Summary: The 2012 Credit Guarantee Act and Scheme facilitated additional bank lending to eligible SMEs by providing a 75% guarantee to banks against losses on qualifying loans to eligible SMEs. Notwithstanding, a 2013-2014 external review findings and conclusions pointed to the need for reforms, leading directly to a new Feb 2015 Scheme Feb 2016 Amendment Act. In summary, the 2015 Scheme and 2016 Act provide for:

- Coverage of transfer of loans from banks exiting the Irish market, and extending the period of agreements from 3 to 7 years;
- Extension of credit guarantees to cover not just bank loans but other non-traditional finance sources (eg. lessors, factors and so on), increasing the level of risk that the Minister can assume; and
- Minister to counter guarantee risk levels with a view to facilitate the SBCI to draw down available EU funding for SMEs (e.g. Competitiveness of Small & Medium Enterprise (COSME), Horizon 2020 and European Fund for Strategic Investment (EFSI) funding for SMEs),

In the lifetime of the 2012 and 2015 Schemes to 22 Jan 2016, approx. €45 million in credit guarantee scheme loans has been sanctioned, resulting in 1,142 new jobs created and 907 existing jobs sustained.

Next steps/
timeframe: Work is in progress to make new Schemes by Statutory Instruments (SI's) for: a) credit guarantees as extended, and: b) counter guarantees as new instruments. In addition, it is intended to appoint the SBCI as the new operator of both Schemes under the 2012 and 2016 Acts combined.

Officials: A/Sec: Clare Dunne, ext 2186 PO: Páraig Hennessy, ext 2486

Item: **Promote uptake of the Microenterprise Loan Fund Scheme**

Summary: The Microenterprise Loan Fund Act 2012 led to Microfinance Ireland (MFI) becoming operational on 1 October 2012. MFI provides unsecured loans from €2,000 to €25,000 to microenterprises in all sectors, and was set up with an initial €10m investment by the State, alongside low interest loans from the main banks. MFI was established to address the market failure evident in the provision of small unsecured loans to sole traders and micro-enterprises.

Take-up initially was significant but not as high as originally anticipated, and an MFI review published in April 2015 resulted in changes designed to increase demand for the microenterprise loan fund, including removing the need for a bank refusal before seeking credit from MFI. There was significant improvement during 2015 with 357 loan approvals, over €5.4m in value of approvals and over 840 jobs created or sustained. Over the lifetime of MFI to end 2015, there were 770 loan approvals, to a value of approx. €11.7m, and some

1770 jobs created or sustained.

Next steps/
timeframe: The Department is working with Microfinance Ireland and the Department of Public Expenditure and Reform on obtaining the extra €10m capital required (as per the enacting legislation) in order to ensure that the Fund can continue as a going concern beyond 2017.

Officials: A/Sec: Clare Dunne, ext 2186 PO: Páraig Hennessy, ext 2486

Item:

Late Payment

Summary: Late payments are a critical issue for businesses in Ireland, particularly SMEs for which cash flow disruption can mean the difference between solvency and bankruptcy. Initiatives already introduced, at both national and EU level, to combat this issue include:

- The 2009 rule whereby all Govt Depts must pay their suppliers within 15 days of receipt of a valid invoice, extended in 2011 to include the wider Public Sector;
- 2013 implementation of the EU Late Payment Directive;
- 2013 launch of the Late Payment Information Campaign in December 2013, informing businesses about the new measures introduced to support prompt payment.
- Early 2015 launch of the portal www.promptpayment.ie on best practice between businesses and suppliers, improving cash flow, and driving change in payment culture.
- Late 2015 introduction of the Payments Forum, chaired at the Minister for Small Business, to support the delivery of the Prompt Payment Code (PPC).

Next steps/
timeframe:

- Draft and issue tender, via eTenders, for PPC awareness campaign (**Q2 2016**)
- Develop payment performance reporting requirements for public authorities (**Q2 2016**)
- Explore further the link between prompt payment and public procurement

Officials: A/Sec: Clare Dunne, ext 2186 PO: Páraig Hennessy, ext 2486.

Item:

State Aid Policy & National Coordination

Summary: State aid, in the context of EU Competition Policy, is a term that refers to forms of assistance from a public body, or publicly funded body, given to undertakings on a discretionary basis, with the potential to distort competition and affect trade between Member States of the European Union.

In general, State aid is banned because of its anti-competitive effects. In the absence of State aid rules Member States might engage in wasteful subsidy races, or perfectly healthy companies might be put out of business because their competitors received unfair state subsidies. However, various categories of schemes are approved because their positive effects are considered to outweigh their negative impact; for example investment to stimulate regional development or programmes to promote training in industry.

This Department is the National Contact Point for overarching State aid policy and also acts as a liaison point for all communications issuing to and from DG Competition (DG COMP). State Aid Unit works on an ongoing basis with the enterprise agencies to ensure

compliance of this Department's industrial development schemes with EU State aid rules. While each Department (and agency) is ultimately responsible for ensuring that their schemes are in compliance with State aid rules, State Aid Unit does provide guidance and assistance where feasible.

The goals of the State Aid Modernisation (SAM), launched by the Commission in 2012, are to foster growth in a strengthened, dynamic and competitive internal market, to focus enforcement on cases with the biggest impact on the internal market and to streamline the State aid rules, including the speed of decision-making by DG COMP.

Next steps/
timeframe

The State Aid Modernisation initiative necessitates an adjustment to the revised State aid landscape – more responsibility for aid control will rest with Member States. The extension of the General Block Exemption Regulation (GBER) offers greater potential to provide support to enterprise but there is also more emphasis on evaluation procedures and transparency of State aid awards. As of July 2016 each Member State is required to have a comprehensive general State Aid website, containing information on aid awards above €500,000.

The shift from ex ante to ex post control will require significant engagement from State Aid Unit with DG Competition, the enterprise agencies and wider Government Departments. The Interdepartmental Committee on State Aid, established by DJEI, will play an active role in informing Government Departments of amendments to EU State Aid legislation and/or procedures. This forum will also provide a platform for exchanging information on State Aid issues, sharing examples of good practice, and facilitating the raising of problems identified with DG COMP.

State Aid Unit will work with the Commission and national stakeholders to ensure the appropriate procedural mechanisms are in place to monitor national performance and compliance with EU State aid rules

Lead officials: A/Sec: Clare Dunne, ext 2186 PO: Páraig Hennessy, ext 2486

3.2 Innovation and Investment Division Dermot Mulligan Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Innovation, Research and Development - Policy	Pauline Mulligan
Innovation, Research and Development - Programmes	Marcus Breathnach
Intellectual Property Unit	Anne Coleman Dunne
Inward Investment and North-South	Richard Scannell
Offices: Patents Office	Gerard Barrett, Controller of Patents
Agencies: SFI IDA Ireland	Prof. Mark Ferguson – Director General Martin Shanahan – CEO
North/South Body Intertrade Ireland	Thomas Hunter McGowan - CEO

Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
Innovation, Research and Development - Policy	Pauline Mulligan

Item:

Implementation of *Innovation 2020*, the new Strategy for Research and Development, Science and Technology

Summary:

Innovation 2020, Ireland's new Strategy for Research and Development, Science and Technology was launched in December 2015. It was developed on a whole of Government basis and contains 93 actions for implementation up to 2020, of which 50 are to be initiated in 2016. The overarching vision in the strategy is for Ireland to become a Global Innovation Leader driving a strong sustainable economy and a better society. Key to delivering on this vision is a commitment to increasing public and private investment in research to reach 2.5% of GNP by 2020 (currently estimated to be 1.8% in 2015). This is a key target for Ireland under Europe 2020 and Government agreed to this originally in 2011. Ireland reports to the European Commission annually on this and other relevant targets through the National Reform Programme and non-delivery could lead a EU Commission Country Specific Recommendation. Reaching this target will mean almost doubling public investment in R&D across the whole system by 2020 (XXXXXXXXXXXX) based on maintaining the current balance of public: private investment of 1:3. More than half of the public investment in R&D is funded through this Department's Vote via IDA, EI, SFI, Programme for Research in Third Level Institutions (PRTL), membership of ESA and International Research Organisations, and amounted to an estimated €372m in 2015.

Other key targets in *Innovation 2020* include:

- Increase the number of research personnel in enterprise by 60% to 40,000;
- Increase numbers of enrolments in research masters and PhDs by 30% to 2,250;
- A successor to the Programme for Research in Third Level Institutions (PRTL) to support infrastructure (buildings & equipment) and people;

is focused on promoting bids for large projects. An all-island Steering Group, chaired by InterTradeIreland, drives joint North-South bids, for which there is a target of €175m. A national network to encourage and support researchers and companies to submit bids is led by Enterprise Ireland. The network includes programme experts in Enterprise Ireland as well as a number of Government departments and research funding agencies. These experts also represent Ireland on 13 European Commission’s H2020 Programme committees. DJEI represents Ireland on the Strategic Programme Committee, which is responsible for strategic considerations and the overall cohesion of the programme. Up to the end of November 2015 (most recently available data from EU Commission), Ireland had won €251 million. This performance has us on track to achieve the national target of 1.25bn. However, in light of constraints on national budgets over the last number of years and in particular cuts to the Higher Education Sector a concerted effort is necessary to ensure that we remain on track and sustain our performance. Given that the Higher Education Sector accounts for over 60% of the national drawdown the Department of Education & Skills works in close co-operation with the Higher Education Institutes to closely monitor their engagement. Given the enhanced opportunities for enterprise to engage in H2020 over FP7 DJEI is leading on industry engagement in cooperation with the enterprise agencies to encourage greater industry participation in the programme.

H2020 also includes a greater emphasis on financial instruments to complement the grant-based approach - these include loans to companies and equity investments. The European Fund for Strategic Investment - also known as the Juncker Fund - also provides opportunities for companies to access finance to support innovation and the H2020 High Level Group is keen to identify actions that need to be taken to maximise these opportunities for Irish companies

Next steps/
timeframe: Latest data from the European Commission (as of 4 March 2016) shows that Ireland has secured €251m from Horizon 2020 up to the end of November 2015 – detailed analysis of the data is being undertaken which will inform further work in relation to a breakdown of the national target across research performers including academia, private sector and public sector. The High Level Group and the Strategic Research Proposals Group will next meet on 13th May and priorities for these groups include:

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- Maximising opportunities to engage in collaborations in Horizon 2020 in Pre-Commercial Procurement, manufacturing, smart cities and proposals for large bids more generally.

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Pauline Mulligan x 2236

Item: **National Innovation Research & Development Sectoral initiatives – Health, Marine & Energy**

Summary: The establishment of a national Health Innovation Hub was identified as a Disruptive Reform in the Action Plan for Jobs. A joint initiative of DJEI and the D/Health, the aim of Health Innovation Hub Ireland is to drive collaboration between the health service and the enterprise sector leading to the development and commercialisation of new healthcare technologies, products and services emerging from within the health service and/or the enterprise sector. Following a positive review of a pilot to test the initiative Government agreed to scaling the Hub to a national level. A competitive call to host the

national Hub was won by a consortium led by University College Cork (who hosted the pilot) along with Cork Institute of Technology, National University of Ireland Galway & Trinity College Dublin. The successful bidders were announced by Ministers for JEI and Health in January. Innovation Research & Development (IRD) Policy Unit provides secretariat to an Oversight Group, chaired by an industry expert with deputy co-chairs from DJEI and D/Health which ensures the ambition and appropriate direction of the Hub. Department of Taoiseach is leading on a Smart Ageing initiative in line with 2016 APJ commitments and Health Innovation Hub Ireland will be used as an additional vehicle to support projects in smart ageing.

IRD Policy Unit represents DJEI on the inter-departmental Marine Coordination Group, which is chaired by the Minister for Agriculture, Food and the Marine. The Group monitors and coordinates implementation of Harnessing our Ocean Wealth, the national maritime strategy. DJEI, through our enterprise agencies, has a key role in the strategy in supporting enterprise development in the sector and were active in the production of a Development Task Force Report last year which was approved by Government. A key commitment in the report is the establishment of a Marine Development Team in the Irish Maritime Development Office in the Marine Institute in Galway. A core team will liaise with the enterprise agencies and specific marine calls and initiatives will be supported. One being considered is the establishment of a dedicated marine incubator.

Dept. of Communications, Energy and Nature Resources (DCENR) convened an inter-departmental, inter-agency Energy Research Strategy Expert Group to develop a new, national strategy for energy research. Energy research has relevance to the enterprise base and has a key role in meeting the challenges of security & sustainability of supply and cost competitiveness. Knowledge transfer of publicly-funded energy research can lead to new products and services and energy research capacity can also form part of Ireland's FDI offering. A key issue for the Group is governance and coordination across the large number of public bodies active in the area as a result of the cross-cutting nature of energy research (environment, enterprise, agriculture, consumer) – we need to avoid fragmentation/proliferation of funding. EI & SFI fund substantial energy research centres namely IERC (International Energy Research Centres joint funded by EI and DCENR) and MAREI (Marine Renewable Energy Centre funded by SFI). An Energy White paper was published in Q3 2015. IRD Policy Unit will provide inputs to implementation of the energy research agenda led by DCENR

Next steps/
timeframe:

Health Innovation Hub Ireland

Recruitment of Director & launch of Health Innovation Hub Ireland Q3
First call for projects Q3 (to include smart ageing)

Marine

DJEI contribution to HOOW annual progress report & SEAFEST 30 June/1 July in Galway
EI carrying out needs assessment for marine incubator

Energy

Participate in DCENR led implementation group

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Pauline Mulligan x 2236

Item: **Broader EU Engagement on Research & Innovation**

Summary: Based on the rotation of the EU Council of Ministers the Dutch hold the Presidency for the 1st half of 2016 while Slovakia will take over for the second half of this year. The Dutch are focussing on (i) investments in research and innovation (ii) the framework conditions for research and innovation and in particular research and innovation friendly regulation (iii) Open Science/Open Access – better circulation and optimal re-use of publicly funded research data. Council Conclusions will be presented on these three topics at the May Competitiveness Council (Research Ministers) and implementation of the European Research Area (ERA) Roadmap will also be discussed. The Slovakian Presidency in the second half of 2016 will focus on (i) Measures to support young researchers (ii) Key changes in business sector and society in order to boost the economic growth at national & European level (iii) Widening participation in Horizon 2020 (iv) European Research Infrastructure Roadmap. Since 2000 the EU has been active in the facilitation of a unified area for research and innovation - the European Research Area (ERA). Member States are now drawing up ERA Roadmaps to show what actions they are taking to achieve the 6 ERA priorities which are: (i) more effective national research systems; (ii) optimal transnational cooperation and competition; (iii) open labour market for researchers; (iv) gender equality and mainstreaming in research; (v) optimal circulation, access to & transfer of scientific knowledge, including via digital ERA; and (vi) international cooperation. A number of ERA-related groups advise the Council of Ministers and Member States on progressing implementation of the ERA priorities and Ireland is represented on all of these groups.

In line with the ERA priority of ensuring an open labour market for researchers DJEI fund EURAXESS Ireland hosted by the Irish Universities Association to facilitate researcher mobility. We give accreditation to organisations (57 to date, mostly Higher Education Institutions (HEIs)) who in turn issue hosting agreements on foot of which individual researchers agree contracts for coming to work in Ireland – last year 71 contracts issued to researchers from 23 different countries (25% Chinese, 21% Indian, 8% American). Ireland participates in Eureka, an inter-governmental initiative with 40 countries supporting industry collaboration in research and COST, a similar networking platform for academics.

The European Commission have issued a public consultation to seek views on the concept of a European Innovation Council to mirror the European Research Council – the objective is to improve the translation of research into innovation and jobs. This is a priority for Research & Innovation Commissioner Moedas (a Portuguese national).

Next steps/ timeframe: Completion of national ERA Roadmap and transmission to European Commission before Competitiveness Council on 27 May. Ongoing participation in ERA groups and ensuring national oversight/coordination across groups. Ongoing accreditation of Host Organisations/support Euraxess Office. Follow up to DJEI submission to the public consultation on the European Innovation Council for the Competitiveness Council Research Ministers meeting on 27 May. September COST Ministerial Council in Slovakia.

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Pauline Mulligan x 2236

Item:

International Innovation Research & Development Policy

Summary:

Ireland has bilateral IRD agreements with China, Japan and India - bilateral cooperation is closely linked to SFI's Strategic Collaboration Award Programme which supports new and existing research-based collaborations between Higher Education Institutions (HEIs) and partner organisations in Brazil, China, India & Japan – often complemented by agency/HEI level agreements.

IRD Policy collaborates with DFAT on Joint Economic Councils (JEC) with an R&D dimension to inward & outward delegation visits. An Ireland-Russia JEC took place in Moscow in December, 2015 – draft cooperation agreements on IRD and Space are under consideration. This year delegations are expected from two provinces in China (Guang Dong and Shanghai) in March and a JEC with China is proposed for June in China but it is not expected to feature on the agenda. A JEC with Saudi Arabia is proposed for October in Ireland.

R&D was amongst the areas included in a joint statement by the Taoiseach and UK Prime Minister following a summit in March 2012 setting out key areas for British-Irish co-operation for the next decade. A joint work programme to deliver on this commitment is agreed at the annual summit between the Heads of State. SFI is establishing joint funding programmes with UK funding councils and the Royal Society and there is good collaboration between Irish and UK companies and researchers in Horizon 2020 with more than 509 signed research contracts up to May 2015 (latest available EU data).

Innovation 2020 contains a commitment to enter into negotiations with two high profile International Research Organisations (IROs) - CERN, the leading global collaboration on particle physics, located on the Franco-Swiss border, and the European Southern Observatory (ESO), the leading international astronomy research collaboration. The negotiation process was initiated with both organisations in January. However, membership will be contingent on favourable terms being agreed, national funding being secured and Government approval.

The US-Ireland R&D Partnership is a product of the peace process and involves the governments of the USA, Ireland and Northern Ireland working together to advance scientific progress by awarding grants for research on a competitive basis. Areas funded include health, telecommunications and energy. A Steering Group co-chaired by the three jurisdictions guides the collaboration across the three administrations with secretariat support from InterTrade Ireland. 30 projects have been awarded a total of €52m (= £40m = \$58m) from a combination of sources but with equal contributions from the US and Ireland North and South. The Steering Group met last November in Dublin, the next meeting will be by video conference on 1st July with the next face to face meeting in Washington, March 2017.

In association with the Strategic Policy Division in DJEI, IRD Policy Unit attends a number of IRD related committees in OECD which allows us to access high-quality analysis and policy and be involved in shaping the EU and international policy environment - during 2015 we engaged extensively with the OECD in the development of *Innovation 2020*.

Next steps/

June - Joint Economic Commission (JEC) in China, October Saudi Arabia JEC in Dublin,

timeframe: continue negotiations on Russia IRD/Space agreements and membership of CERN/ESO – DG of CERN to receive an award from the Royal Irish Academy in May. US IRL R&D Partnership Steering Group on 1 July. Attend OECD meetings.

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Pauline Mulligan x 2236

Business Unit in the Division	Head of Unit (Principal Officer)
Innovation, Research and Development - Programmes	Marcus Breathnach

Item: **Securing increased public investment in research and innovation to meet Innovation 2020 goals**

Summary: In 2016, the total capital allocation under ‘Programme B – Innovation’ in the Department’s Vote is €307.3m. ‘Programme B – Innovation’ includes all science, technology and innovation supports funded through Science Foundation Ireland (SFI); Enterprise Ireland (EI); and the Programme for Research in Third Level Institutions (PRTL). The 2016 figure represents a 16% reduction on the allocation in 2011 (€369.7m). Adding IDA Ireland R&D grants to the 2016 figure, the total spend by DJEI on RDI supports is likely to be in the region of €370 million, equating to approximately half of the total Government spend on R&D in Ireland (currently €735 million p.a.).

Since 2011, there has been an over reliance on capital carryover, in-year virements, and when available, Supplementary Estimate monies, to mitigate against the severity of reduced allocations. However, with demand for enterprise supports now back at pre-crisis levels, capital savings are unlikely to arise elsewhere across the DJEI Vote in future years. Thus, without a significant increase in the capital allocation for RDI programmes, DJEI is faced with a significant challenge in terms of sustaining the funding for programmes aimed at driving innovation within Irish based firms and creating sustainable jobs.

Innovation 2020, the new strategy for science and technology, research and innovation, contains a commitment to increasing public and private investment in research to reach 2.5% of GNP by 2020 (XXXXXXXXXXXXXXXXXXXXXXXXX). This is a key target for Ireland under Europe 2020 the EU’s 10 year growth strategy and Government agreed to this target in 2011.

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- Next steps/ timeframe:
- Work with the Strategic Policy Division to set out the economic impact of Government RDI expenditure and the case for increased investment;
 - Work with agencies concerned (SFI, IDA, EI) and with wider Innovation 2020

and engineering research in Ireland. It invests in academic researchers and research teams most likely to generate new knowledge and leading edge technologies. By funding scientific research with impact, SFI plays a pivotal role in enhancing Ireland’s human capital in strategic areas of scientific endeavour relevant to the competitiveness of Irish based enterprise.

SFI programmes form a key element of the drive to boost Ireland’s international competitiveness and attract foreign direct investment. With a budget of €157m in 2016 SFI funds academic researchers and teams through a wide range of programmes and initiatives.

A key objective of SFI’s strategy is to develop a set of world-leading, large scale research centres that will provide major economic impact for Ireland. To date, 12 SFI Research Centres have been established focused on strategic areas of importance such as Pharma; Big Data; Medical Devices and Nanotechnology. The total State investment in the 12 centres over five years is €355m matched by an industry cash / cash in kind commitment of €190m. Currently over 200 industry partners are engaging with these 12 centres.

The key objectives for SFI during 2016 are:

- To continue to build and improve national research capability by recruiting senior research leaders and providing funding for early and mid-career researchers;
- To continue stimulating academic researchers to collaborate with industry through a variety of enterprise-oriented programmes;
- To support entrepreneurial researchers to develop their ideas and research outputs towards commercial fruition;
- To better support strategic Horizon 2020 wins through bespoke funding and expert consultation;
- To partner with strategically-relevant international funding agencies employing a lead agency approach;
- To continue educating and engaging the Irish public with the aim of driving STEM awareness, life-long interest and active involvement.

The Department is represented on the SFI Board by Mr Dermot Mulligan (A/Sec)

Next steps/
timeframe:

The Department will work with SFI to ensure implementation of over 40 actions contained in *Innovation 2020*. These actions are targeted at a number of specific areas including human capital where there is an industry demand for increased enrolment of post graduate researchers; and a call by the academic community for greater funding and career development opportunities for post-doctoral researchers.

SFI’s involvement in supporting research infrastructure investment will be addressed in the context of planning for a successor to PRTLII (see above)

The issue of opportunities for “challenge-based” funding aimed at stimulating solutions-driven collaborations and engagement with research, civic and enterprise communities will also be explored but there is no funding commitment in 2016.

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Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Marcus Breathnach x 2267

Item:

Enterprise Ireland initiatives to support company innovation and leverage the commercial potential of third level research

Summary:

A budget of €117.6 million in capital expenditure has been provided to Enterprise Ireland (EI) for Research, Development and Innovation (RD&I) activities in 2016. The RD&I activities of EI are overseen by the IRD Programmes Unit within the I&I Division of the Department, while formal corporate oversight and liaison responsibility for EI rests with the Indigenous Enterprise Development Division.

EI RD&I activities include:

- Programmes to support in-company research and development, in the form of R&D equity for Innovative High Potential Start-Ups (HPSU's) and the R&D Fund, which provides grants to enterprise to support in-company projects with the potential to develop novel products and services with a clear competitive advantage in their target market.
- Programmes to support collaboration between industry and the higher education system, which enables industry to engage with third level researchers in undertaking collaborative research for the benefit of the company. Such programmes include Innovation Vouchers, Innovation Partnerships, Technology Centres, Technology Gateways and New Frontiers.
- Programmes to help maximise the commercial return from publicly-funded research. Relevant initiatives include the Commercialisation Fund and the Technology Transfer Strengthening Initiative (TTSI), which is administered by Knowledge Transfer Ireland (KTI), a partnership between the Irish Universities Association and EI, and which is based within EI. The objective of KTI is to make it easier for business and investors to engage with the research system by streamlining processes and simplifying contracts that underpin business and research collaboration.

There are also numerous Actions included in Innovation 2020 which EI is responsible for delivering or co-delivering with other Government Departments and state agencies. Linked to this, EI has responsibility for delivering a wide number of actions in APJ 2016 .

Next steps/
timeframe:

EI will develop its new Strategy 2017-2020 in the first half of 2016 and will undertake stakeholder engagement and consultation. Corporate oversight of EI is the responsibility of the Indigenous Enterprise Development (IED) Division in DJEI. IRD Programmes will engage closely with IED and EI to ensure that research and innovation related objectives are reflected appropriately in the development of the new strategy. EI continues to focus on the challenge of raising the innovative capacity of indigenous enterprise and, through its programmes, will have a key role to play in raising the relatively low level of R&D performed by indigenous enterprise, in turn contributing to targets set out in Innovation 2020. The specific targets involved in the various programmes referred to above are being incorporated and finalised as part of the Service Level Agreement for 2016 between EI and DJEI.

Participate in the ESA Ministerial Council in Lucerne in December.

The Director General of ESA, Johann-Dietrich Worner, will visit Dublin on 21 June.

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Marcus Breathnach x 2267

Item: **EU & International Space Industrial Policy**

Summary: The European Union has a legal competence in space policy since 2010 and has developed a Space Industrial Policy in the intervening years. The EU has initiated two space programmes - Copernicus and Galileo - which are providing Earth observation and satellite positioning data on a global basis respectively. These programmes are multi-annual and involve expenditure of almost €10billion to 2020.

In Autumn 2016 the European Commission will publish a wide-ranging and comprehensive new Strategy for the Space Sector. A key task for the year will be to ensure that Ireland’s interests are reflected in this strategy.

The Luxembourg Presidency held a meeting of the Space Council in December 2015. The Space Council is a joint and concomitant meeting of the EU Council and the ESA Council at Ministerial level and so it includes the non-EU ESA member States of Norway and Switzerland. The Dutch Presidency intends to convene a further meeting of the Space Council on 26 May and is preparing a discussion paper outlining how the Space data can be better utilised. The Permanent Representation in Brussels (PRB) will take the lead in preparations for this Council with appropriate briefing and support from IRD Programmes.

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- Next steps/
timeframe:
- Specific priorities in 2016 include:
 - Further develop and support cross departmental mechanisms to coordinate national positions on Copernicus in association with EI;
 - Support/Direct Permanent Representation in Brussels (PRB) – policy input for Space Working Party (SWP), Space Policy Working Group (SPEG), Coreper & Council;
 - Explore with EI actions for maximising Copernicus return for Irish Industry;
 - Provide input to the negotiation of Space Council/Competiveness Council Conclusions;
 - Ensure appropriate levels of consultation and input in relation to the EU Space Policy Strategy;
 - XXX.

Lead officials: A/Sec: Dermot Mulligan x 2182 PO: Marcus Breathnach x 2267

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Lead officials: A/Sec: Dermot Mulligan x 2182 Anne Coleman-Dunne x 2144

Item: **Examination and negotiation of proposals on copyright reform arising from the EU Commission Strategy on the Digital Single Market**

Summary: On 6 May 2015, the EU Commission launched its' Digital Market Strategy (DSM), one of President Juncker's top 10 priorities for the new Commission. This is a broad agenda covering a number of key strategic priorities that straddles a number of Government Departments. One of the areas identified in the Strategy is that of copyright modernisation. In December 2015, the Commission published a Communication on copyright entitled 'Towards a modern, more European copyright framework' as well as a proposal for a Regulation aimed at ensuring cross-border portability of online content services within the EU.

The general objective of the initiatives outlined in the Commission Communication on copyright is to facilitate the conduct of business for consumers and enterprises in Europe that involve digital services and, in this way to improve competitiveness in Europe on a par with that which pertains in some of the EU's major trading partners. In terms of copyright, the main proposals expected to emerge from the Commission during 2016 include: a Regulation to allow for cross border portability of digital content (already issued); possible changes to the transmission of TV programmes with a possible review of the Satellite and Cable Directive; a review of targeted copyright exceptions created under the Information Society Directive with a view to making some key exceptions mandatory throughout the EU. Finally, a review of IP enforcement particularly with a focus on improving capability in the SME sector. This would look at clarifying the rules on the activities of online intermediaries in relation to copyright protected content and ensuring balance in the system that governs the remuneration of authors and performers in the EU.

The Portability Regulation aimed at providing cross border portability of content is currently under discussion at Council technical level in Brussels. This seeks to ensure that legally-acquired content purchased in one Member State is accessible when a consumer is travelling temporarily in another Member State.

Next steps/ timeframe: The Department is actively involved in discussions at EU level on copyright modernisation and, most immediately, in discussions at Council technical working group level in the negotiations on the Portability Regulation. Other legislative proposals referred to above are expected to issue by the Commission during the course of 2016 and will be examined by the Department in consultation with stakeholders.

Lead officials: A/Sec: Dermot Mulligan x 2182 Anne Coleman-Dunne x 2144

Item: **Examination of legislative commitments in the Intellectual Property (IP) area to facilitate Ireland's bid for upcoming major sporting events.**

Summary: In 2014, Government supported the Football Association of Irelands bid to host games in the UEFA EURO 2020 finals. The bid was successful and Dublin was selected as one of the host cities for the games at the 2020 tournament. At that time, to facilitate the hosting of the tournament, UEFA sought certain assurances from all applicant countries that legislation to cover particular aspects of interest was either in place or would be put in place prior to the games in 2020.

This Department has provided certain pledges to have legislation enacted in specific areas for which the Department has responsibility in advance of the UEFA event. Equally, the Controller of Patents, Designs and Trade Marks has provided guarantees in relation to facilitating the registration of IP applications for e.g. logos, emblems etc. for the competition.

This issue of the UEFA and other major upcoming sporting events is overseen by an Interdepartmental Committee to ensure the co-ordination of issues that extend across the areas of responsibility of a number of Government Departments/agencies. It will identify the areas where legislative gaps exist and plan for the gaps to be filled.

Next steps/
timeframe: In the areas that assurances for legislative change were provided in the area of Intellectual Property and in particular in the context of protecting the commercial rights of the sponsors, an examination of the legislative gaps that exist and how to fulfil these is being undertaken in order to discharge our obligations in a timely manner in a co-ordinated manner across Government.

Lead officials: A/Sec: Dermot Mulligan x 2182 Anne Coleman-Dunne x 2144

Item: **Examination of proposals arising from the EU Commission Single Market Strategy in the Intellectual Property area.**

Summary: In October 2015, the EU Commission published its Single Market Strategy (SMS). The Strategy focus is on practical measures aimed at helping small and medium-sized enterprises (SMEs) and start-ups to grow and expand, promoting innovation, unlocking investments and empowering consumers. The SMS aims to target actions in three key areas: creating opportunities for consumers, professionals and businesses; encouraging and enabling the modernisation and innovation that Europe needs; and, ensuring practical delivery that benefits consumers and businesses in their daily lives.

As part of its work the Commission will, during 2016, come forward with initiatives to consolidate and modernise the intellectual property framework, including measures to support the use of intellectual property by SMEs. It will consult, consider and propose further measures, as appropriate, to improve the patent system in Europe, and most likely review the EU intellectual property enforcement framework in 2016, supporting a 'follow the money' approach to commercial-scale infringements. XXXXXXXXXXXXXXXX

3.3 Commerce, Consumers and Competition Division Breda Power, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Competition and Consumer Policy Section	Kieran Grace
Company Law Policy and Agencies/Offices	Colm Forde
Company Law Development & EU	Helen Curley
Company Law Audit & Accounting Policy	Sabha Greene
Business Regulation	Colm Forde
Cooperative Legislation & PIAB Liaison Unit	Colm Forde

<p>Offices: Office of the Director of Corporate Enforcement (ODCE) Company Registrations Office, Registry of Friendly Societies (CRO/RFS)</p> <p>Agencies: Competition & Consumer Protection Commission (CCPC) Personal Injuries Assessment Board (PIAB) Irish Auditing and Accountancy Supervisory Authority (IAASA)</p>	<p>Ian Drennan – Director of Corporate Enforcement Maureen O’Sullivan – Registrar of Companies and Registrar of Friendly Societies</p> <p>Isolde Goggin - Chairperson Conor O’Brien - CEO Michael Kavanagh – CEO (Interim)</p>
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Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
Competition and Consumer Policy Section	Kieran Grace

Item:

Scheme of Proposed Consumer Rights Bill

Summary: In its final report, the Sales Law Review Group concluded that the legislative framework governing consumer contract rights, with its mix of primary and secondary legislation of domestic and European Union origin, had resulted in a confusing, complex and, in some respects, contradictory body of statutory rules. The Group recommended accordingly the enactment of a Consumer Rights Act that would consolidate and update the key statutory provisions applicable to consumer contracts. The (then) Minister for Jobs, Enterprise and Innovation endorsed this recommendation, stating that a comprehensive Act along the lines recommended by the Review Group would create a legislative framework more appropriate to 21st century conditions and requirements, create clearer rules for businesses, and bring about substantial improvements for consumers.

Following an earlier, more general consultation undertaken in August 2014, the draft Scheme of the proposed Bill was issued for public consultation in May 2015. The main parts of the draft Scheme deal with rights and remedies in consumer contracts for the supply of goods, the supply of digital content, the supply of services together with unfair contract terms and gift voucher contracts. Responses to the consultation generally supported the proposal to consolidate and update all of the main statutory provisions on consumer contracts. A number of changes to specific provisions of the draft Scheme have been made in response to points raised by stakeholders and in order to take account of provisions of the draft European Directive on Consumer Contracts for the Supply of Digital Content referred to below.

Next steps/
timeframe A draft Memorandum for Government incorporating the Scheme of the Bill is being prepared which will take account of developments in the negotiations at EU level on consumer related proposals. The draft Memorandum will seek the approval of Government for the drafting of a Bill in accordance with the Scheme.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676.

Item:

Proposed EU Directives on (i) Consumer Contracts for the Supply of Digital Content and (ii) Consumer Contracts for the Online and Other Distance Sales of Goods.

Summary: In December 2015, the European Commission published proposals for Directives, containing provisions on consumer rights and remedies in contracts for digital content and online and other distance sales of goods. Member States have generally welcomed the digital content proposal in view of the relative absence of both EU and national legislative provisions in this rapidly growing area. The proposal for a separate Directive on online and other distance sales received a less positive response with most Member States taking the view that this would create undesirable fragmentation with the rules for in-store consumer sales in the existing Consumer Sales Directive. The Dutch Presidency have agreed accordingly to focus on the digital content proposal and to await the outcome of a review of the Consumer Sales Directive before proceeding with the proposal on online and other distance sales. Working Party discussions on the digital content proposal have commenced and are set to continue on an intensive basis in order to make quick progress on a proposal which the Commission see as a key element of its Digital Single Market Strategy. The European Commission proposal is a complicating factor for the Scheme of the proposed Consumer Rights Bill which also includes provisions on digital content. As the Commission's intention to publish its legislative proposal was announced only in May 2015 shortly before the publication of the draft Scheme, its provisions could not have been taken into account during the preparation of the Scheme. The amended version of the Scheme to be submitted to Government, however, will take account of a number of the provisions of the Commission proposal. If the Directive is adopted during the drafting of the Bill, further changes can be made to the Bill in order to comply with the provisions of the EU legislation.

Next steps/
timeframe Departmental officials will participate in Working Party Discussions on the proposed Digital Content Directive with a view to ensuring as far as possible that its provisions strike a fair balance between the need for a high level of consumer protection and the need to remove barriers to cross-border trade in digital content in order to enhance export opportunities for Irish businesses in this area.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676.

Item:	Hallmarking (Amendment) Bill 2016
Summary:	The Bill is required to amend the Hallmarking Act 1981 to include palladium and mixed precious metal in the definition of articles of precious metals that will be hallmarked by the Assay Office and to enable the Assay Office to strike hallmarks outside the State and for items bearing those hallmarks to be treated in the same way as items bearing hallmarks struck in the State. It will also provide for the updating of offences and penalties. The Bill will also give further effect to the EU Directive on Alternative Dispute Resolution (ADR) (2013/11/EU) which will allow an ADR entity to insert in its procedural rules specific reasons for refusing to deal with a consumer complaint.
Next steps/ timeframe	Progress on the draft Bill has been delayed due to the complexity of some of the issues which arose during the course of drafting. The Bill is expected to be published in Q2/Q3 2016 and enactment as soon as possible thereafter.
Lead officials:	A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676
Item:	Enactment of an Amendment to the Casual Trading Act 1995 to bring it into line with the requirements of the Services Directive
Summary:	<p>The basis of this proposal is to ensure that the Casual Trading Act 1995 is not in conflict with EU legislation, specifically the Services Directive which was transposed in November 2010 by the European Union (Provision of Services) Regulations 2010 (S. I. No. 533 of 2010).</p> <p>In order to avoid the necessity for the European Commission to initiate infringement proceedings against Ireland, the 1995 Act requires to be amended in respect of the three areas that are in direct conflict with the Services Directive, i.e.; (i) selection procedures, (ii) charges and fees and (iii) duration of a casual trading license.</p>
Next steps/ timeframe	A Memorandum for Government will be prepared seeking the approval of the Government for the drafting of a Bill (amending the Casual Trading Act 1995) in accordance with the Draft Scheme of Bill which will be furnished with the Memorandum for Government.
Lead officials:	A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676
Item:	Monitoring implementation and operation of the provisions of the EU Directive on Alternative Dispute Resolution (ADR) and EU Council Regulation on the Online Dispute Resolution platform (ODR) in Ireland
Summary:	The aim of the EU Directive on ADR is to ensure that consumers have access to

efficient, fast, non-judicial and low-cost ways of resolving domestic and cross border disputes which arise from sales or service contracts. The EU legal instruments have been transposed into domestic law through SIs 343 of 2015, 368 of 2015, 500 of 2015 and 32 of 2016. The Competition and Consumer Protection Commission (CCPC) has been designated as the competent authority for ADR in Ireland under the legislation and the European Consumer Centre (Ireland) will act as the national contact point for the ODR platform.

Next steps/ timeframe: The imperative now is to ensure that consumers seeking to resolve disputes in Ireland and cross border disputes using ADR procedures can do so through the ADR legislation and the structures that have been put in place on foot of that legislation. The Department will liaise closely with the CCPC, European Consumer Centre, EU Commission and interested stakeholders throughout 2016 to ensure that these provisions and structures are serving consumers and businesses in Ireland in the required manner.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676.

Item: **Monitoring implementation and operation of the new Grocery Goods Regulations.**

Summary: The grocery goods regulations were signed into law on 27 January 2016 and came into operation on 30 April 2016. The Competition and Consumer Protection Commission has responsibility for enforcing compliance with the regulations. The regulations will apply to retailers and wholesalers with gross annual turnovers in excess of €50 million who have grocery goods contracts with direct suppliers for the sale or supply of food and drink products to their premises.

Guidelines, which are intended to assist relevant parties with the implementation of the regulations were published on 18 March 2016.

Next steps/ timeframe: The Department will work closely with the Competition and Consumer Protection Commission to ensure that the new regulations are properly understood and applied in the grocery goods sector and to keep under review the case for the extension of this initial set of regulations to the other classes of grocery goods and grocery goods undertakings which are provided for in the Consumer Protection Act 2007.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676

Item: **Transposition of Directive 2014/104/EU on certain rules governing actions for damages under national law for infringements of the competition law provisions of the Member States and of the European Union (Damages Actions Directive)**

Summary: Directive 2014/104 sets out certain rules necessary to ensure that anyone who has suffered harm caused by an infringement of competition law by an undertaking or

by an association of undertakings can effectively exercise the right to claim full compensation for that harm from that undertaking or association. It sets out rules fostering undistorted competition in the internal market and removing obstacles to its proper functioning, by ensuring equivalent protection throughout the Union for anyone who has suffered such harm. It also sets out rules coordinating the enforcement of the competition rules by competition authorities and the enforcement of those rules in damages actions before national courts.

**Next steps/
timeframe** The Directive must be transposed by the 27 December 2016 and work is underway to meet that deadline. Further consultation will be undertaken with the Competition and Consumer Protection Commission, the Courts Service and the Department of Justice and Equality.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676.

Item:

Transposition of Directive 2014/35/EU on the harmonisation of the laws of the Member States relating to the making available on the market of electrical equipment designed for use within certain voltage limits

Summary: The purpose of Directive 2014/35 /EU is to ensure that electrical equipment on the market fulfils the requirements providing for a high level of protection of health and safety of persons, and of domestic animals and property, while guaranteeing the functioning of the internal market. This Directive applies to electrical equipment designed for use with a voltage rating of between 50 and 1,000 V for alternating current and between 75 and 1,500 V for direct current, other than the equipment and phenomena listed in an Annex.

**Next steps/
timeframe** The Directive must be transposed by the 20 April 2016 and an external Counsel has been appointed to assist in settling the draft Regulations.

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676.

Item:

Agreement on EU Product Safety/Market Surveillance Proposals

Summary: The EU Commission adopted a package in the area of consumer protection and the Single Market in February 2013. The package consists of proposals for a Consumer Product Safety Regulation (CPSR) and a Market Surveillance Regulation (MSR). The two measures work together to ensure products are safe (consumer protection) and that market surveillance authorities have the powers to make certain operators abide by product safety rules and that compliant manufacturers are not put at a competitive disadvantage by non-compliant manufacturers putting dangerous goods on the EU market. However, negotiations on the proposals have stalled since the end of 2014 due to an impasse regarding article 7 (Country of Origin marking) of the CPSR and a mandate could not be agreed. A like-minded group, of which Ireland is a member, see origin marking as potentially a protectionist measure that will create additional administrative burdens for SMEs

without adding anything to product safety.

Next steps/
timeframe As there are blocking minorities both for and against the proposals, there are no signs of any progress at Council level. Also, the Package has not been formally withdrawn by the EU Commission so it is difficult to ascertain the next steps

Lead officials: A/Sec: Breda Power, x 2609; PO: Kieran Grace, x 2676

Business Unit in the Division	Head of Unit (Principal Officer)
Company Law Development & EU	Helen Curley

Item: **Provide Secretariat support to the Company Law Review Group (CLRG) 2014 – 2016.**

Reconvene the CLRG for 2016 – 2018 and determine the CLRG Work Programme 2016 - 2018

Summary: The Company Law Review Group (CLRG) is an expert advisory group charged with advising the Minister on company law matters. Its current 2 year work programme was approved by the then Minister in February 2014 to run to the end of May 2016 and comprises providing advice on the following matters:

- Provisions of the Companies Bill 2012 (now enacted by the Companies Act 2014)
- Whether recent submissions from stakeholders justify amendments to the Companies Act in the future. These submissions deal mainly with financial reporting, insolvency or winding up provisions.
- Whether amendments are required to the law relating to company representation before the courts.
- Whether the UNCITRAL Model Law on Cross-Border Insolvency should be adopted by Ireland.
- Reviewing the enforcement of company law.
- Advising the Department on EU company law proposals.

Two additional items were added to the CLRG work programme at the request of the then Minister:

- Review the Supreme Court judgement of 09.07.2015 (Appeal No. 2011/361) and its implications for the priority of payments to creditors in company liquidations.
- Examine and recommend ways in which company law and indeed the wider legislative code could be potentially amended to ensure better safeguards for a company's employees and unsecured creditors. (See next Priority Item).

Next steps/
timeframe Ongoing meetings of the sub-committees and one ad-hoc committee as well as plenary meetings of the CLRG. Secretariat is provided by the Company Law Unit of the Department.

The Annual Report of the CLRG for 2015 was submitted to the Minister on 23 March 2016. It reports on the CLRG Work Programme 2014-2016.

The CLRG is drafting a report on the enforcement of company law which is expected in Q3 2016.

The membership of the CLRG is due to be reconvened on 1 June 2016. Nominating bodies have been asked to nominate representatives for appointment by the Minister to the CLRG who will serve alongside ministerial appointees. The Chair is to be nominated by the Minister from the membership of the CLRG (section 960 Companies Act 2014). The appointment of members will be for a two year period starting 1 June 2016. The Work Programme of the CLRG is also to be determined by the Minister, following consultation with the CLRG (section 961 Companies Act 2014).

Lead officials: A/Sec: Breda Power, x 2609; PO: Helen Curley, x 2638

Item: **Twin track examination of Company Law in Insolvency situations with a focus on Employees' Rights and Creditor Protection.**

Summary: On 14 January 2016 Ministers Bruton and Nash announced a twin track examination of protections in law for employees and unsecured creditors, particularly to ensure limited liability or restructuring are not used to avoid a company's obligations to its employees and unsecured creditors.

The Ministers appointed two experts to examine the legal protections for workers, particularly where operations and assets may be moved to separate legal entities as part of a restructuring. This examination will look at situations where valuable assets in a company are separated from the operating entity, and how the position of employees can be better protected in such situations. The experts have specifically been asked to consider:

- Could more effective use be made of current legislation to safeguard employees' interests?
- At what point in time could any new measures to protect employees' interests be triggered?
- Are there changes to employment rights legislation that could be considered, or changes at the interface of employment law and company law, including powers to set aside transfers of assets and time periods for same?
- What solution/framework of measures is required?

Separately, the Company Law Review Group (CLRG) was requested to examine and recommend ways in which company law could be amended to ensure better safeguards for a company's employees and unsecured creditors.

- The CLRG has been asked to explore instances where the corporate veil can and should be lifted.
- The strengthening of Directors' duties.
- Checks and balances to strengthen obligations to employees for better protection in company restructuring.
- Circumstances in a liquidation of an insolvent company where company liabilities can be met from solvent companies in the same group or in related companies.

Next steps/ The duo of experts submitted their report on 11th March 2016. Their report was

timeframe published on 26th April 2016. The work of the Company Law Review Group in this matter is on-going.

Lead officials: A/Sec: Breda Power, x 2609 PO: Helen Curley, x 2638

Item:

Participate in negotiations on EU Proposals in the area of Company Law

(a) Shareholders Rights Directive

Summary: Participation in negotiations as the file progresses through trilogues (EU Council, European Commission, European Parliament); co-operation with Department of Finance

The main purpose of the Proposal is to encourage and facilitate shareholders to take a longer term view of their investments. The Proposal does this by amending the existing Shareholders Rights Directive (2007/36/EC) to introduce new obligations on institutional investors, asset managers, certain companies, proxy advisors and investment intermediaries.

Next steps/
timeframe Continue to participate in working group meetings as required.

Lead officials: A/Sec: Breda Power, x 2609; PO: Helen Curley, x 2638

(b) Codification of certain aspects of Company Law (EU Directive)

Summary: Proposal to codify existing company law to ensure greater clarity and ease of reference.

Next steps/
timeframe Participate in working group meetings as required. Work is underway analysing primary legislation/EU regulations to see whether codification will require any new legislative instruments.

Lead officials: A/Sec: Breda Power x 2609 PO: Helen Curley x 2638

(c) Insolvency (Second Chance proceedings)

Summary: Proposals are expected to be issued by the EU Commission in 2016 to harmonise aspects of insolvency law with a view to enhancing second chance proceedings for business. (This dossier is shared with the Department of Justice and Equality).

Next steps/
timeframe Examine proposals when launched by the Commission, prepare Oireachtas Scrutiny Note, consult with stakeholders, develop a national position, participate in EU working party negotiations.

The timeframe will be determined by the EU Commission.

Lead officials: A/Sec: Breda Power, x 2609; PO: Helen Curley, x 2638

Item:

Measures required to implement EU law: Insolvency

Summary:

Follow on actions arising from recast and amended EU Insolvency Regulation. The Regulation aims to:

- codify European Court of Justice decisions on the concept of centre of main interest – or COMI- which is the determinant of which Member States' courts have jurisdiction
- increase the focus on insolvency proceedings which allow companies survive temporary crises rather than rushing to liquidate it unnecessarily
- increase cooperation between all parties (courts and insolvency practitioners) involved in related proceedings
- increase transparency of proceedings by linking national insolvency registers
- provide a structure to assist in insolvent group situations.

Next steps/
timeframe

Prepare material on Irish insolvency law for EU website (June 2016); in cooperation with the Department of Justice, consult with the Courts Service to ensure their insolvency rules provide for the enhanced cooperation that is scheduled to commence in mid-2017; consult Companies Registration Office to determine any additional requirements that are necessary to ensure its register is ready by mid-2017 to act as an input to an EU Commission portal.

Lead officials:

A/Sec: Breda Power, x 2609; PO: Helen Curley, x 2638

Business Unit in the Division	Head of Unit (Principal Officer)
Company Law Audit & Accounting Policy	Sabha Greene

Item:

Companies (Accounting Bill 2016)

Summary:

The Companies (Accounting) Bill 2016, which is due for publication shortly, will transpose the EU Accounting Directive (2013/34/EU). That Directive replaces the two previous Directives on accounting, namely the 4th Company Law Directive on annual accounts and the 7th Company Law Directive on consolidated accounts. Its main objectives are to reduce the reporting burdens on small and micro companies in particular, and to secure greater comparability of accounts across the EU Member States. The deadline for transposing the Accounting Directive was 20 July 2015, and it applies to financial years beginning on or after 1 January 2016. Accordingly, enactment of the Companies (Accounting) Bill will be a priority for the Department.

The Companies (Accounting) Bill will –

- i. Provide significant simplifications and reductions of administrative burdens for enterprises, notably SMEs,
- ii. Address a lacuna in the law whereby certain companies can avail of the benefit of being an unlimited liability company and therefore not obliged to file financial statements publicly, while also limiting their liability.

- iii. Introduce mandatory requirements for public disclosure of payments to Governments by enterprises in the extractive and logging of primary forest industries.

Since the adoption of the Accounting Directive, the EU has amended it with the adoption of a Directive on disclosure of non-financial and diversity information for certain undertakings. The Department is assessing the most efficient mechanism for transposing that amendment, whether in the Companies (Accounting) Bill, a later Bill (e.g. Statutory Audits Bill), or by Regulation.

Next steps/
timeframe

Heads of the Companies (Accounting) Bill were sent to the Office of the Parliamentary Counsel (OPC) on 26 February 2015 for priority drafting. Subsequently, it became necessary to submit more Heads to the OPC, and this was done in June 2015. Drafting of the Bill is at an advanced stage and the Department intends to submit it to the Government for permission to publish and initiate in the Houses of the Oireachtas in April/May 2016, subject to the completion of drafting as expected. Once published, the Department will work to get it enacted as quickly as possible.

As the deadline for transposition has passed, we are open to infringement proceedings and the European Commission issued an infringement letter to put us on notice of that last September.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Sabha Greene, x 2527

Item:

Implementation of the EU Audit Reform Package (Directive & Regulation)

Summary:

The EU's audit reform comprises a Directive (2014/56/EU) which amends the original audit Directive of 2006 (2006/43/EC) and a Regulation (537/2014). The Directive applies to all statutory audits while the Regulation provides additional rules for the audit of "public interest entities", which are entities such as financial institutions, insurers, funds, and listed companies. The Directive must be transposed into Irish law by the 17 June 2016 and the Regulation will take effect here on the same date. Although the Regulation will be directly applicable in Ireland, some national legislative provisions will be needed to ensure that it can operate effectively here. The Department is working to transpose and give effect to the essential elements of the EU reforms by the 17 June deadline with a Statutory Instrument, in the form of EC (Statutory Audits) Regulations. However, both the Directive and the Regulation contain options for Member States and some of these are not appropriate for secondary legislation as they are not necessary parts of the reforms. The Department considers that they would be beneficial, so, once the secondary legislation is in force, the Department proposes to proceed with primary legislation, in the form of a Statutory Audits Bill to give effect to those options and other provisions which are considered useful.

The main provisions of the Directive and Regulation are –

- i. Introduction of mandatory rotation of audit firms
- ii. Prohibition of certain non-audit services and fee caps for the rest
- iii. Changes to the oversight model for audit and auditors, which enhance the role of the State's regulator and reduce the work of the professional bodies
- iv. New rules to enhance the independence and professional scepticism of auditors and to encourage competition among audit firms
- v. New reporting requirements to improve the quality of audit

Next steps/
timeframe

The Department is engaged with the Office of the Parliamentary Counsel to draft European Communities (Statutory Audits) Regulations, and intends to submit these to the Minister for signature into law by the EU transposition deadline of 17 June 2016. However, the EU reforms contain some options for Member States that cannot be availed of in a Statutory Instrument. Moreover, there are some provisions, outside of what is strictly necessary for the transposition that the Department considers would be beneficial. Accordingly, the Department is finishing Heads of a Statutory Audits Bill, which it intends to submit to the Government for approval to draft in Q3 of 2016.

The consequences of late transposition of the Directive are complicated by the fact that it is accompanied by an EU Regulation, which will be directly applicable in Ireland from the date that the Directive is due to be transposed.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Sabha Greene, x 2527

tem:

Accounting & Audit Standards

Summary:

There are 2 issues regarding standards that need to be addressed in the course of 2016. The first is prescribing the Financial Reporting Council (FRC), which is based in the UK, as the standard setter for Ireland. Up to now, the FRC has set the accounting and auditing standards for the UK and Ireland, which accountants and auditors here are obliged to follow, but without being a prescribed body for those purposes. However, the Department came to the view a while ago that it would be more appropriate to put the situation on a more formal footing and to support the Irish members of the FRC's advisory councils with the establishment of a committee of practitioners and other experts to consider standards from the Irish perspective. More recently, changes introduced in the Companies Act 2014 and in the new EU Audit Directive (2014/56/EU), have made it necessary for technical reasons to prescribe the FRC as the standard setter, by Regulation.

The second issue is the extension or not of the provision for certain non-EU enterprises to prepare their accounts in, for example, US Generally Accepted Accounting Principles (US GAAP), rather than in the EU required format of International Financial Reporting Standards (IFRS). Under the Companies Act 2014, certain companies that are registered in Ireland but listed outside the EU may file their accounts in, say, US GAAP format, subject to certain conditions. This exemption was introduced in contemplation of the US GAAP and IFRS standards converging in the near future, so it is due to end on 31 December 2020. However, the convergence project is stalled and affected companies have begun to ask the Department to consider an extension.

Next steps/
timeframe

The Department is in consultation with the FRC on prescribing it in Regulations as the standard setter for Ireland. The Department expects to submit draft Regulations in relation to the EU Audit Measures to the Minister shortly. The Department also plans to submit terms of reference for a new Irish advisory committee later in 2016.

On the exemption for US GAAP, the Department intends to conduct a consultation with other relevant Departments, the IDA, and stakeholders. Following that, we will make a proposal to the Minister, probably in Q 3 of 2016.

Lead officials: A/Sec: Breda Power x 2609 PO: Sabha Greene x 2527

Item:

Proposal for an EU Directive regarding disclosure of income tax information by certain undertakings and branches

Summary:

The European Commission has adopted (12 April 2016) a Proposal for a Directive to amend the Accounting Directive and to provide for disclosure of income tax information by certain undertakings and branches on a country by country basis. This Proposal would apply to large multinational corporations operating in the EU and with a consolidated net turnover of more than €750 million a year. Such corporations will be obliged to publish annually information on the profit made and taxes paid in each EU Member State on a country by country basis. A similar 'country by country' breakdown of this information will be published with respect to activity in so-called tax havens, while aggregate figures will be provided for other tax jurisdictions outside the EU.

Next steps/
timeframe

The European Commission's proposal now goes to the Council and the European Parliament for negotiation and adoption. The NL Presidency convened a first meeting of the relevant Council Working Party to consider this proposal for late April.

The proposed Directive is cast as an amendment to the Accounting Directive, which is a company law instrument. Therefore, this Department takes the lead in the EU negotiation and we are cooperating with Department of Finance as this relates to tax matters. As the proposal is new, we are examining it and consulting with stakeholders. As part of that work, we launched a public consultation on the proposal on 14 April and the closing date for that is Friday May 20, 2016.

Lead officials: A/Sec: Breda Power x 2609 PO: Sabha Greene x 2527

Business Unit in the Division	Head of Unit (Principal Officer)
Business Regulation	Colm Forde

Item:

Communications: BusinessRegulation.ie Portal & Taking Care of Business

Summary:

A key part of reducing regulatory burdens is better communication. Making it easier for small businesses and start-ups to identify the regulations that apply to them is important.

In 2012, the Department developed and launched the www.businessregulation.ie web Portal, which brings together in one place many strands of regulatory and compliance information applicable to business, along with links to supports for small businesses and start-ups.

In 2013, the Department, in co-operation with over 25 Public Bodies, Offices and Agencies, launched a series of "Taking Care of Business" events, where, to date, approximately 2,000 small businesses have attended to hear concise presentations from regulators and support agencies, and where they can ask questions and seek advice at more than 30 stands during a half-day free event. (Events have to date been held in Dublin, Cork, Limerick, Galway, Waterford and Drogheda.)

Next steps/
timeframe

A review of the portal has already been initiated. The Portal will be modified and added to as necessary to improve its functionality and hit-rate. Q3-Q4 2016. Further Taking Care of Business events will be organised as necessary.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Colm Forde, x 2668

Item:

Represent Ireland at EU and International Fora in relation to Better Regulation issues

Summary:

The Unit continues to Monitor Better Regulation developments at EU level and in key Member States, in order to ensure Ireland's position is effectively represented. This means (1) cooperation with D/Taoiseach and D/PER to ensure policy coherence across the Better Regulation agenda, (2) coordination of Ireland's response to various requests for information, etc., from the EU Commission, the REFIT Platform, OECD, etc., and (3) participating in relevant meetings and conferences including: the EU REFIT Platform, the OECD Regulatory Policy Committee, the Standard Cost Model Network, the EU Directors and Experts of Better Regulation, and other relevant international events.

Next steps/
timeframe

A series of meetings has been scheduled by the European Commission for the REFIT Platform, initially for the first half of 2016. The OECD will schedule three meetings of the Regulatory Policy Committee during 2016, two in Paris and one in Sydney.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Colm Forde, x 2668

Business Unit in the Division	Head of Unit (Principal Officer)
Cooperative Legislation & PIAB Liaison Unit	Colm Forde

Item:

Personal Injuries Assessment Board (PIAB) – amendment of the PIAB legislation to deal with issues relating to reserves and various operational matters

Summary:

Advice from the Attorney General indicates that legislative change would be required to allow the Minister to set a reserves policy for PIAB. The PIAB Act is now more than twelve years in operation and in 2014 a public consultation was held on the operation and implementation of the PIAB Acts of 2003 and 2007. Submissions were received from a range of interests including Government Departments, and agencies, industry, insurance and legal interests and individuals. The Department has been examining these submissions with a view to identifying whether there are areas which might require change.

Next steps/
timeframe

Complete the examination of the submissions received in the public consultation and finalise the General Scheme of the Bill. Prepare Memorandum for Government and secure approval to draft the Bill by end Q2 in 2016.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Colm Forde, x 2668

Item:

Prudential Supervision Gap in respect of certain Friendly Societies (FS) and Industrial and Provident Societies (I&P)

Summary:

A range of Friendly Societies and a small number of Industrial and Provident Societies (three credit co-operatives), which are involved to some degree in the provision of financial services to their members, operate without the exercise of prudential supervision by any regulatory body. The matter has been the subject of Aide Memoires to Government, and the Department has been in consultation with the Department of Finance with a view to assigning responsibility for prudential supervision of the entities concerned to the Central Bank/Financial Regulator. The enactment of the Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Act 2014 was a preliminary step in the process as it provided for the cessation of registration of new friendly societies.

Next steps/
timeframe

Engage further with the Department of Finance with a view to progressing the development of appropriate prudential supervision for the existing societies.

Lead
officials:

A/Sec: Breda Power, x 2609 PO: Colm Forde, x 2668

Item:

Review the Industrial and Provident Societies (I&P) Acts 1893-2014

Summary:

The Industrial and Provident Societies Acts date back to 1893 with various amendments over the years, most recently amended in 2014. The legislation provides a statutory legal framework for the vast majority of co-operatives in Ireland. That framework, by facilitating statutory incorporation and providing a public register service and other supports, has made a positive contribution to the development of co-operatives. It is proposed to review the legislation in consultation with the Irish co-operative movement. A public consultation paper will be prepared and submissions will be invited. As well as focussing on technical aspects of the current legislation, the review will involve a root and branch review of the legislation with a view to its modernisation, reform and consolidation.

Next steps/
timeframe

Over the coming months, commence the review and hold a public consultation on the implementation and operation of the Industrial and Provident Societies Acts and consult with relevant interests.

Lead officials:

A/Sec: Breda Power, x 2609 PO: Colm Forde, x 2668

3.4 Labour Affairs Division Martin Shanagher, Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
Workplace Relations Liaison Unit Industrial Relations Unit Employment Appeals Tribunal	Stephen Curran
Economic Migration Policy Unit Labour Market and EU EPSCO Policy Unit	Fiona Flood
Employment Rights Policy Unit	Dermot Sheridan
Health Safety & Chemicals Policy Unit	Paul Cullen
Low Pay Commission	Máire Ní Chuiric
Internal Audit	Vacancy PO Accountant
Offices : Workplace Relations Commission ¹³ Labour Court Low Pay Commission Agencies: HSA	Kieran Mulvey – Director General Kevin Duffy - Chairman Donal de Buitleir - Chairman Martin O'Halloran - CEO

Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
Workplace Relations Liaison Unit Industrial Relations Unit Employment Appeals Tribunal	Stephen Curran

Item:

Ensuring effective oversight of the new WRC and newly expanded Labour Court and its new Strategy and Work plan is progressed

Summary:

The Workplace Relations Commission (WRC), established on the 1st October 2015 incorporates the former LRC, Equality Tribunal, NERA and first instance functions of the EAT. The Labour Court has become the single appellate body for all employment rights and equality cases in addition to renewed IR activity and expanded by the addition of an additional Division.

The WRC is to provide a world-class workplace relations service which is simple to use, independent, effective, impartial and cost-effective, to provide for workable means of redress and enforcement within a reasonable period and to reduce costs to business.

¹³ The first instance functions of the Employment Appeals Tribunal (EAT) were taken over by the Workplace Relations Commission on 1st October 2015. The EAT appellate functions were transferred to the Labour Court. However, The Employment Appeals Tribunal (EAT) cannot be wound up until it has disposed of its legacy caseload which may take between 18 and 24 months.

The effective oversight of the new Body includes the setting of targets which are related to the vision set. Both the Director General of the WRC role and Chairman of the Labour Court will be vacated by mid-year due to retirements. The filling of these posts will be of critical importance.

Next steps/
timeframe: New strategy for the WRC was presented to the Minister in early 2016. Recruitment processes for the leadership posts through PAS are under way.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Stephen Curran x 3283

Item: **Dissolution of the Employment Appeals Tribunal**

Summary: In the context of the Workplace Relations Reform process, the Employment Appeals Tribunal (EAT) will be dissolved. The Workplace Relations Act 2015 transferred the first instance jurisdiction and appellate jurisdiction of the EAT to the Workplace Relations Commission (WRC) and the Labour Court (LC) respectively. However, all cases submitted to the EAT before 1 October, 2015 must be disposed of by the EAT.

Next steps/
timeframe: The EAT will be dissolved after it has disposed of all complaints and appeals referred to it before the commencement date. It is estimated that the dissolution will be 2 years after the commencement of the Workplace Relations Commission - by 1st of October, 2017.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Stephen Curran x 3283

Item: **Joint Labour Committees (JLCs) and Legal Challenge**

Summary: There are JLCs for the following sectors – Agriculture; Security; Retail Grocery and Allied Trades; Hairdressing; Contract Cleaning and Catering. Two Employment Regulation Orders relating to the Security and Contract Cleaning Sectors came into effect on October 1st 2015.

A Joint Labour Committee (JLC) of equal numbers of representatives of employers and workers in a sector meet to discuss and agree proposals for terms and conditions to apply to specified grades or categories of workers in the sector. If the Committee, following consultations, adopts proposals it will submit them to the Labour Court for consideration. If the Court decides they should be adopted it will forward a copy of the proposals to the Minister. If it is considered appropriate to do so, an Order (Employment Regulation Order) giving effect to such proposals can be made by the Minister.

The Industrial Relations (Amendment) Act 2012 provided that a review of existing JLC be carried out by the Labour Court. That Review was completed in April 2013. In January 2014 Ministerial Orders to give effect to those recommendations were signed, including the Order reconstituting the JLC for the Security Sector. The Security Employment Regulation Order applies from 1 October, 2015.

Legal Challenge

A legal challenge on behalf of Top Security Ltd, Morbury Ltd, Guardex Ltd, Carnito Ltd and LAS Security Ltd was entered in December 2015. Defendants are the Security Industry JLC, the Labour Court, the Minister for Jobs, Enterprise and Innovation, Ireland and the Attorney General.

Next steps/
timeframe: The Chief State Solicitors Office filed a Memorandum of Appearance in the High Court in January. The Plaintiffs are required to serve a Statement of Claim. The Chief State Solicitors Office will furnish DJEI immediately with the Statement of Claim when served.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Stephen Curran x 3283

Item: **Sectoral Wage Setting (post McGowan)**

Summary: In May 2013 in the *McGowan* case, the Supreme Court found parts of the Industrial Relations Act 1946 unconstitutional. The Industrial Relations (Amendment) Act 2015 addressed the ruling and provides a revised legislative framework that is fully informed by the Supreme Court judgment and expected to withstand constitutional challenge in the future.

Next steps/
timeframe: Registered Employment Agreements and Sectoral Employment Orders (SEOs) should start to emerge and support industrial peace and workers' pay. We will monitor single enterprise agreements, assist with any submission from the Court for SEOs to the Minister, advise the Minister and manage the legislative process if such proposals are accepted by the Minister.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Stephen Curran x 3283

Item: **Advise the Minister on IR developments generally and specific disputes. Advise as required on the consideration of any new structural arrangements Government may require to help manage industrial relations tensions that may emerge as pay pressures intensify in a rapidly recovering and growing economy.**

Summary: A forum where both sides of industry and the Government can ensure good and timely communications on industrial relation issues, in particular disputes but also related trends has been mooted from time to time over the recent past. The 2012 IBEC/ICTU *National Protocol for the Orderly Conduct of Industrial Relations and Local Bargaining in the Private Sector*, indicated the intention of the two parties that "agreed tripartite structures be established to discharge the functions of delivering industrial peace, stability and good industrial relations". Over the period ahead the evolution of industrial relations, particularly in sectors with significant wider economic spill over effects, may lead to calls for such a forum.

Next steps/
timeframe: Keep this matter under review

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Stephen Curran x 3283

Business Unit in the Division	Head of Unit (Principal Officer)
Economic Migration Policy Unit	Fiona Flood

As skills shortages continue to grow and spread to a wider number of occupations and sectors, it is critical that our economic migration/employment permit system can respond to emerging needs.

Item: **Introduction of the Online Employment Permit application system.**

Summary: There was a 34% increase in the number of permits applications received in 2015 compared with 2014. This figure was in addition to a similar rise in 2014.

The introduction of the online system will greatly improve the Departments service to businesses as it will eliminate the paper-based system. The online fee payment facility will eliminate the cumbersome two-step EFT process currently in operation. Implementation of this project will enable the Business Unit to deliver improved turnaround times for processing of employment permits as it will free staff from data entry to focus on decision-making on permit applications. Additionally, applicants will be able to pay the appropriate fee on-line reducing the administrative burden.

Next steps/
timeframe: APJ 2016 commits to introduction the Online Employment Permit System by Q3 2016 (APJ Action 73)

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Fiona Flood x 3291

Item: **Bi-annual review of Highly Skilled Eligible Occupations List and Ineligible Categories of Employment List.**

Summary: The Employment Permits Acts provide flexibility to deal quickly with changing labour market, work pattern and economic development needs.

The Regulations are reviewed and adapted on a biannual basis. There are two types of occupation for the purposes of the employment permits system:

- The Highly Skilled Eligible Occupations Lists (HSEOL) sets out the lists of eligible occupations deemed to be critically important in significant shortage of supply.
- The Ineligible Categories of Employment List (ICEL) includes those occupations for which there is a clear surplus of adequately skilled Irish and EEA nationals. It is primarily focused on elementary occupations.

This review process involves obtaining and considering advice from the Expert Group on Future Skills Needs (EGFSN) and Skills and Labour Market Research Unit (SMLRU -

SOLAS). It also involves input from relevant Government Departments, Agencies, and industry as necessary.

Next steps/
timeframe: APJ 2016 commits to undertaking reviews of the HSEOL and ICEL in Q2 and Q4. (APJ Action 75)

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Fiona Flood x 3291

Item: **Review of employment permit minimum remuneration thresholds.**

Summary: The employment permit system must be flexible enough to react to changes in economic circumstances and labour market conditions. Therefore, in order to adequately control the flow of skilled non-EEA migrants into the country, it is necessary to review employment permit minimum remuneration thresholds. Section 14 of the Employments Permits Act 2006 as amended, provides for the making of regulations which, inter alia, empower the Minister to set the minimum remuneration levels for each employment permit type.

Setting the minimum remuneration threshold for an employment permit is a delicate balancing act: on the one side it needs to be high enough to attract and retain third country nationals and ensure domestic supply is encouraged and to secure a socially accepted standard of living while on the other it should not be so high as to impact negatively on Ireland's international competitiveness. It should also be sufficient to cater for family re-unification (Critical Skills Employment Permit). The threshold should also be high enough to ensure that the permit holder does not have recourse to the State's social welfare system.

Next steps/
timeframe: The employment permit system must be flexible enough to react to changes in economic circumstances and labour market conditions. Therefore, in order to adequately control the flow of skilled non-EEA migrants into the country, it is necessary to review employment permit minimum remuneration thresholds.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Fiona Flood x 3291

Item: **Review of the Atypical Working Scheme**

Summary: A Dept of Justice & Equality/DJEU review of this scheme was conducted during Q1 2016. Non-EEA nationals who wish to work in Ireland must, as a rule, seek permission to do so from the Minister for Jobs, Enterprise and Innovation via an employment permit application. Under an agreement made with the Minister for Justice and Equality in 2013, non-EEA nationals in certain circumstances may apply for permission under an Atypical Working Scheme (AWS) to work in the State on a temporary basis (under 90 days). The AWS may also be used where an employment is of a non-standard type that cannot be accommodated by the Employment Permits system e.g. certain locum doctors are facilitated by this Scheme. Generally, the same conditions applying to grant of

employment permits are also applied to the AWS e.g. the Ineligible Categories of Employment List for Employment Permits. It is important to ensure that the AWS does not operate as an alternative to the Employment Permits system. The AWS is currently a pilot.

Next steps/
timeframe The review concluded that the AWS is beneficial and in some cases essential to the State. However, the review also established that while a number of controls are in place to mitigate the risk that the AWS could be used to bypass the employment permit regime, further controls, which do not unduly impede what is a relatively quick application process, are needed.

Specific DJE and DJEI actions designed to improve the operation of the AWS have been identified for implementation during 2016

Lead Officials: A/Sec: Martin Shanagher x 3179; PO: Fiona Flood x 3291

Item: **Review of Employment Permit Fees**

Summary: It is vital that the work of the Employment Permits Section is not loss making for the exchequer, is fair on business and that fees charged are applied proportionately. 33% of permits issued do not attract a fee because the legislation provides for, amongst other things, exemptions in relation to the provision of employment permits to charitable organisations. The vast majority are related to the provision of medical personnel.

A fees review in May 2015 established that current fee levels conform to the cost recovery principle. The review highlighted the need for a further comprehensive evaluation to be conducted in 2016 and which will consider a broad variety of factors

Next steps/
timeframe Work to commence in Q3 2016

Lead Officials: A/Sec: Martin Shanagher x 3179; PO: Fiona Flood x 3291

Item: **Cross-Departmental Coordination for EPSCO Council (and its preparatory bodies)**

Summary: The Employment, Social Policy, Health and Consumer Affairs (EPSCO Council) plays a pivotal role in the governance arrangements for the European Semester and close coordination is required between its preparatory bodies (and those of ECOFIN) in finalising the Jobs and Growth Guidelines in the spring and in reviewing the related country specific recommendations which are submitted to the European Council in June each year.

The lead responsibility for coordinating the activities of all Government Departments vis-à-vis the EPSCO Council lies with the Department of Jobs, Enterprise and Innovation. While the Minister for Jobs Enterprise and Innovation has the lead role in relation to the European Semester process at the EPSCO Council, this is somewhat anomalous as the

main labour market policy, activation and vocational education and training measures fall under the responsibility of other Ministers. The EPSCO Council meets in formal session four times each year and twice in informal session in the country of the Presidency.

Next steps/
timeframe Responsibility for Ministerial attendance at EPSCO from DJEI has fallen primarily on the Minister of State for Business and Employment since his appointment in July 2014.

Lead Officials: The EPSCO Council dates for the remainder of 2016 are in Minister's provisional diary in Section 1.7 above.

A/Sec: Martin Shanagher x 3179; PO: Fiona Flood x 3291

Item: **Contribution to national labour market policy coordination (alignment of APJ and Pathways to Work)**

Summary: The previous Government supported employment growth and efforts to tackle unemployment through the complementary strategies of the Action Plan for Jobs and Pathways to Work. Under Pathways to Work 2013, a protocol of cooperation with the Department of Social Protection and Department of Jobs, Enterprise and Innovation, IDA, EI the LEOs and Udaras was agreed. The Protocol has been maintained under the new Pathways to Work 2016-2020 Strategy. The overarching aim of the Protocol is to maximise the recruitment of suitably skilled personnel from the Live Register by the Department's enterprise agency client companies. A steering group oversees the effective delivery of the aims of the Protocol and is chaired by the Assistant Secretary of Labour Affairs Division.

Next steps/
timeframe The 2016-2020 Pathways to Work Plan was published in January. The Department of Jobs, Enterprise and Innovation fed into the process. Implementation of the resulting actions and actions under the Protocol will be pursued. A/Sec: Martin Shanagher x 3179; PO: Fiona Flood x 3291

Lead Officials: A/Sec: Martin Shanagher x 3179; PO: Fiona Flood x 3291

Business Unit in the Division	Head of Unit (Principal Officer)
Employment Rights Policy Unit	Dermot Sheridan

Item: **Directive of the European Parliament and of the Council on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services (the "Posted Workers Enforcement Directive")**

Summary: The Posted Workers Enforcement Directive aims to provide for more effective enforcement of employment law across the EU in the area of posted workers and is seen as a means to tackle "social dumping" (where a foreign service provider might undercut local service providers because the foreign service provider's labour standards are lower). The Directive was adopted in May 2014 and has a transposition date of **18 June 2016**. The Directive will provide enhanced protection for workers being posted to Ireland and for those employees

of Irish companies being posted to other Member States. Of equal importance, Irish companies will be protected from unfair competition on the domestic market by ensuring foreign service providers cannot unfairly undercut nationally determined terms of employment. The Directive also provides for more effective co-operation between labour inspectorates across the EU. The Directive provides a small number of policy options to Member States when transposing into national law. These policy issues were the subject of a public consultation, following which it is proposed to transpose the Directive on the basis of the minimum mandatory requirements and to do so by way of secondary legislation under the European Communities Act 1972.

Next steps/
timeframe: A Statutory Instrument is currently being drafted by the OPC and the Department will continue to work closely with the OPC to finalise the S.I. over the coming weeks.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Dermot Sheridan x 2765

Item:

Policy response to University of Limerick Study on zero hour contracts/low hour contracts

Summary: The University of Limerick (UL) was appointed in February 2015, following a competitive tendering process, to carry out a study into the prevalence of zero hour contracts and low hour contracts in the Irish economy and their impact on employees. The study took place against a backdrop of increasing debate both nationally and internationally about the use of such contracts.

The study, published in November, 2015, found that zero hour contracts as defined within current Irish employment rights legislation are not extensively used in Ireland. It found low working hours can arise in different forms in employment contracts, such as regular part-time contracts with fixed hours or a contract with "If and when" hours only or a hybrid of the two. If and when contracts are contracts where workers are not contractually required to make themselves available for work. The UL report made a range of recommendations relating to contracts, hours of work and notice, minimum hours, how contracted hours should be determined, collective agreements, data gathering and wider contextual issues. The Department sought submissions from interested parties by way of a Public Consultation. A large number of submissions were received by 4 January 2016, the closing date for receipt of such submissions.

The responses received contained a variety of views both for and against the findings and recommendations made by UL. In broad terms the majority of submissions from trade unions and NGOs were in agreement with the UL findings and recommendations, while those from the employer and business representative bodies were totally opposed.

Next steps/
timeframe: The assessment of the responses received is presently under way within the Department and it is envisaged that the Department will need to engage further with stakeholders. This is a significant body of work, which will take some time to complete. The outcome of that work will inform the policy response to be considered by Government arising from the study.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Dermot Sheridan x 2765

Item:

Preparation for Ireland's term as Titulaire Member of the Governing Body of the International Labour Organisation (ILO) 2017-2020

Summary: The International Labour Organisation (ILO) is a United Nations agency based in Geneva, which deals with employment and labour market issues. The ILO has a unique tripartite structure, in which employers' and workers' representatives have an equal voice with those of governments.

The executive body of the ILO is the Governing Body (GB). In June 2017 Ireland will, for the first time since we joined the ILO in 1923, assume a Titulaire seat at the ILO's Governing Body for the period 2017 to 2020. This will be an ambitious and active period for the ILO due in part to its centenary in 2019 and the ever closer co-operation between the ILO and the EU.

The Titulaire post will give Ireland speaking and voting rights at the Governing Body. There will also be an expectation that we will play a leadership role in discussions at the International Labour Conference (ILC) as the outcome of ILC discussions are brought back to the GB. Fulfilling our Titulaire role will have significant resource implications for the Department. The Unit is currently assessing, in conjunction with colleagues in the mission in Geneva, the extent of the resources issue.

Next steps/
timeframe: Decide on appropriate level of resources in Dublin and Geneva and timing of those resources. Establish formal liaison structures with Dept. Foreign Affairs & Trade and with other relevant Government Departments (Q.2 onwards). Bring a Memorandum for Government to raise awareness of Ireland's Titulaire role (timing to be decided).

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Dermot Sheridan x 2765

Item:

Policy issues arising from the work of the duo of experts appointed to examine existing employee protections and the interface between company law and employment law, in light of company closures such as Clerys

Summary: A twin track examination has concluded of protections in law for employees and unsecured creditors, particularly to ensure limited liability or restructuring are not used to avoid a company's obligations to its employees and unsecured creditors.

Two experts, Kevin Duffy, chairperson of the Labour Court and Nessa Cahill BL a company law specialist, were appointed in February of this year to examine the legal protections for workers, particularly where operations and assets may be moved to separate legal entities as part of a restructuring. This examination specifically looked at situations where valuable assets in a company are separated from the operating entity, and how the position of employees can be better protected in such situations. There have been several high profile cases of in recent years, most notably the closure of Clerys.

Business Unit in the Division	Head of Unit (Principal Officer)
Safety Health and Chemicals Policy Unit	Paul Cullen

Item: **Reinforce the strategic enforcement of Safety & Health legislation at workplace level by enabling the sharing of administrative data on employer names and economic sectors**

Summary: The HSA conducts workplace inspections under the Safety, Health and Welfare at Work Act 2005 and prioritises those inspections at higher risk sectors. However, it does not have a complete and up to date database of employers that can be used to prioritise inspections and therefore improve both productivity and effectiveness. Other state bodies, including Revenue and the Department of Social Protection, already have comprehensive databases on employers (as the Department of Agriculture Food and the Marine also holds such information on farms and registered fishing vessels) which include non-sensitive administrative information on employer names, economic sectors and addresses. However, the HSA requires specific legal authority to access this information. The HSA could be given powers by means of a simple amendment of subsections (1) and (2) of section 75 (Disclosure of information) of the Safety Health and Welfare at Work Act 2005 that would greatly facilitate a more efficient use of the HSA's currently scarce inspector resources.

Next steps/
timeframe: A limited Bill amending the 2005 Act might be included in the next Legislative Programme; alternatively such a provision could be included in a regular omnibus Bill (such as the annual Social Welfare Bill) promoted by another Minister

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Ensure the continuation of essential construction safety schemes in view of current issues raised (by SOLAS and QQI) about the organisation, governance, and delivery of these schemes and their linkage to the national certification framework.**

Summary: The future operation, governance and accreditation of safety awareness and competence schemes for the Construction sector has been under review in light of the establishment of SOLAS and of the Education and Training Boards. DJEI, HSA and the main industry stakeholders view the continuation of general safety awareness training as essential. A cornerstone of the preventive response in Ireland to the high incidence of construction injury and fatality rates has been a statutory requirement that all construction workers receive general safety awareness training (Safe Pass) and that certain high risk occupations, e.g. plant operatives, receive training and certification (CSCS). With the formation of Quality Qualifications Ireland (QQI) (formerly FETAC) and SOLAS (formerly FAS) issues have arisen within these organisations regarding the schemes and their future governance.

Next steps/
timeframe: To continue to work with D/Education and Skills and SOLAS and QQI and to assess the recommendations of recent reports commissioned by SOLAS with a view to (i) making the regulatory framework fit for purpose and (ii) ensuring appropriate arrangements for the satisfactory future operation, governance and delivery of general safety awareness training

for construction operatives.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Assess the impact of EU Chemicals Policy (REACH - Regulation 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals) on the Irish economy**

Summary: The REACH Regulation has now been in operation for almost 10 years and addresses the production and use of chemical substances, and their potential impacts on both human health and the environment. The 2016 Action Plan for Jobs includes a commitment “to undertake an assessment of the impact of EU Chemicals Policy (REACH) on the Irish economy and the experience of companies of the registration /authorisation processes and, following consultation with industry stakeholders and the relevant national authorities, identify the steps to be taken to enhance Ireland’s capacity to engage and influence the REACH process at EU level”

Next steps/
timeframe: A Steering Group has been established comprising DJEI, HSA, IDA, EI, D/Agriculture, Food & the Marine (DAFM), D/Environment, Community & Local Government (DECLG), Environmental Protection Agency (EPA). It will prepare and oversee the project in line with APJ 2016 so as to feed into the Commission’s review in 2017..

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Explore the synergies between occupational safety and health (OSH) policy and farm safety standards in EU agriculture policy so as to incentivise promotion of a prevention culture and reverse the high incidence of farm injuries.**

Summary: Farming injuries are by far the single highest cause of work related death in Ireland, despite the farming sector employing only about 6% of the working population. What is proposed is that economic incentives in agriculture be aligned clearly with other EU and national policies aimed at protecting life and health. This will be a significant additional driver for behavioural change.
The current EU Commissioner for Agriculture has commented about the desirability of cross compliance within EU policies as a means of encouraging a prevention culture and indicated his intention to seek the views of Member States on how to reverse the high incidence of farm injuries. While linking occupational safety and health to the new Basic Farm Payment scheme in a European context is clearly a matter for the EU Commissioner for Agriculture and in the Irish context the Minister for Agriculture, Food and the Marine, the EU Commissioner had expressed interest in learning about the successful implementation of farm safety initiatives in Ireland that had been driven by the Farm Safety Partnership established by DJEI and the HSA.

Next steps/
timeframe: The Minister might take up the invitation extended by the EU Commissioner in Spring 2015 to meet to discuss the need for greater complementarity between occupational safety and health strategy and agriculture policy (and between farm safety and the farm supports).

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Review of the Dangerous Substances legislative regime.**

Summary: DJEI is responsible for the Dangerous Substances Acts which primarily focus on the regulation of petroleum safety. The present regime has been found to be

- Out-of-date technically;
- A hindrance to economic development and fair competition;
- Enforced by some Local Authorities but not others.

Agreement has been reached with the Local Authorities to establish a Working Group to analyse and identify the necessary measures to be put in place through new legislation to replace the Dangerous Substances regime and report to the Ministers for DJEI and DECLG within six months of its establishment. The Working Group will comprise DJEI, HSA, DECLG, EPA, CER and the Chief Executive of Sligo County Council (who represents the CCMA/LGMA/CFOs/Local Authorities).

Next steps/
timeframe: All nominees for the Working Group have been received and the first meeting will take place shortly. A delay in receiving the nominations has had a consequential impact upon the 2016 APJ timeframes.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Replace the outdated Carriage of Dangerous Goods by Road Act of 1998 to facilitate adaptations to progress and the requirements of industry and trade.**

Summary: The current Carriage of Dangerous Goods by Road Act 1998 was introduced to give effect to Ireland accession, in 1996, to the United Nations European Agreement concerning the International Carriage of Dangerous Goods by Road, an agreement known as "ADR". The 1998 Act lacked the power to implement Directives which amended the original ones mentioned both in the Long Title and in the definitions in the 1998 Act. As a consequence, the regulation of the transport of dangerous goods by road is currently covered by provisions made partly under the 1998 Act and partly under the European Communities Act 1972. Ireland continues to lack a robust, structured and sustainable implementation model aimed at ensuring that the State's obligations relating to implementation of the provisions of the ADR Framework Directive are met and, more importantly, that the needs of industry and key stakeholders involved in working with ADR on a day to day basis are also met.

Next steps/
timeframe: DJEI can request HSA to review and re-submit the Draft Heads of an Inland Transport of Dangerous Goods by Road Bill that had been provided to the Department in 2008 (the draft legislation had not been advanced at the time because it was considered more expedient to make Regulations under the European Communities Act 1972)

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Transpose three EU technical harmonisation Directives relating to minimum safety requirements for (a) Lifts; (b) Equipment for use in Potentially Explosive Atmospheres (known as ATEX), and (c) Pressure Equipment, and also Directive 2013/35/EU on the exposure of workers to electromagnetic fields.**

Summary: The New Legislative Framework on Technical Harmonisation included re-casted text for the directives on of Lifts and Equipment for use in Potentially Explosive Atmospheres (known as ATEX), and Pressure Equipment. The transposition deadlines for these Directives are as follows:

Lifts – Directive 2014/33/EU transposition date 19 April 2016

ATEX – Directive 2014/34/EU transposition date 19 April 2016

Pressure Equipment – Directive 2014/68/EU transposition date 30 June 2016.

Directive 2013/35/EU on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields) has a transposition deadline of 1 July 2016.

Next steps/
timeframe: The transposition measures to give effect to the provisions of Directives 2014/33/EU, 2014/34/EU and 2014/68/EU are currently being scrutinised by legal counsel with a view to legal settlement. This exercise is being carried out by counsel engaged in cooperation with Competition and Consumer Policy Unit. The cooperative approach should produce a suite of secondary legislation relating to the new legislative framework on technical harmonisation which contains a common style and similar appropriate enforcement apparatus.

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Item: **Engage with the European Commission, other Member States and any other relevant stakeholders to avoid the threatened instigation of formal infringement proceedings against Ireland over the role of bodies performing accreditation functions in the State**

Summary: In September 2015 notification was received of an action being taken by the Commission against Ireland, under the EU Pilot programme . The Commission expressed concern that there is a body based in Ireland, the International Society for Quality in Health Care (ISQua), and that this body claims to provide ‘accreditation’ services without being the national accreditation body appointed by Ireland under EU Regulation 765/2008.

Ireland has taken the position that the services being provided by ISQua are not linked to the harmonised standards as defined in Regulation 765/2008/EC. In March 2016, the Commission formally rejected Ireland’s position and advised that, without the appropriate action being taken by Ireland, formal infringement proceedings would be instigated.

Next steps/
timeframe: Continue engagement with the Commission on the issue while seeking a response from ISQua to the Commission’s request.

Engage with other Member States regarding the implications of the Commission's interpretation of EU Regulation 765/2008 and the presence of bodies in their jurisdictions performing voluntary accreditation functions that are not associated with the EU harmonised standards

Lead officials: A/Sec: Martin Shanagher x 3179 PO: Paul Cullen, x 3290

Business Unit in the Division	Head of Unit (Principal Officer)
Internal Audit	Vacancy

Item:

Compliance with Department of Public Expenditure and Reform requirements for Departmental Internal Audit

Summary:

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes

As a key element of the Department's Corporate Governance structure, Internal Audit Unit's (IAU) principal objective is to provide a risk-based internal audit service in compliance with Department of Public Expenditure and Reform (DPER) requirements, which gives assurance to management on the systems of control. Good financial control is cost effective and supports the achievement of the Department's policy objectives.

Next steps/
timeframe

IAU prepared a three year strategic plan and the annual audit plan for 2016 has been approved by the Audit Committee and Secretary General. In order to provide assurance on the Department's systems of control, IAU will implement the approved audit plan and report to the Secretary General and Audit Committee on the findings and recommended actions. Advice based on generally accepted practice will be provided by IAU in compliance with DPER requirements.

3.5 Corporate Services, EU Affairs and Trade Policy Division Philip Kelly – Assistant Secretary

Business Unit in the Division	Head of Unit (Principal Officer)
EU Affairs Unit	Conor Verdon
Single Market Unit	
Trade Policy Unit	Lorraine Benson
Permanent Representation Brussels	Tommy Murray Anne Marie Finlay
Permanent Representation Geneva	John Newham
Irish Embassy, London	Declan Morrin
Human Resources & State Agencies & Pensions Units	John Hughes
Learning & Development Unit	
Business Services Unit	
Finance Unit	Cathal O’Gorman
Management Support Unit	Michael O’Leary
FOI and Customer Service Unit	
Communications Unit	
ICT Unit	Pat McCourt
Department Legal Advisor	Lynn O’Sullivan – Legal Advisor
Press Office	Marie McMahon – Press Officer

Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
EU Affairs Unit	Conor Verdon
Single Market Unit	

Issue:

EU Competitiveness Council – Internal Market and Industry Issues

Summary: The EU Competitiveness Council is a combination of three previous formations of the Internal Market Council, the Industry Council, and the Research Council. Normally held over two days, Industry and Internal Market meets on day one and the Research element on day two. This Department co-ordinates, prepares and develops policy inputs to the EU Competitiveness Council on both horizontal and sectoral issues.

The focus of the Competitiveness Council is on enhancing and sustaining competitiveness, jobs, growth and productivity in Europe. The Council strives to ensure a coherent and coordinated approach to all policies impacting in these areas.

The Competitiveness Council is the vehicle for discussing and monitoring competitiveness and internal market policies. It provides a political direction on the development of Commission legislative and non-legislative proposals and ultimately, adopts, modifies or rejects such proposals. A recent innovation introduced by the Luxembourg Presidency, ensures that the first item of each Council meeting includes a “Competitiveness Check-Up” debate by Ministers on key indicators regarding competitiveness and market integration. This is followed by a discussion on competitiveness mainstreaming, which facilitates the input of Ministers having responsibility for competitiveness in the development of policy issues under the

2015 work programme. Further, the follow-up to the Single Market Strategy is one of the 23 actions in the Commission's Work Programme for 2016 – "No time for business as usual".

Ireland had a strong engagement in the preparatory process leading up to the adoption of the Strategy. Department officials met with DG GROW of the European Commission in Brussels in July to discuss areas which Ireland would like to see addressed in the Strategy. Minister Bruton wrote to Commissioner Bienkowska in August 2015 to outline Ireland's priorities for the Strategy. Minister Bruton also signed a like-minded letter dated 25 September 2015, drafted by the UK, (signed by 17 Member States in total) to Vice President Katainen and Commissioner Bienkowska on the Single Market Strategy. A number of the areas which Ireland had suggested as priorities have now been addressed in the context of specific actions included in the Strategy

**Next steps/
timeframe**

The Strategy comprises a series of targeted actions, to be progressed over the period from 2016 to 2018. In 2016 the key proposals for DJEI will be:

- a legislative proposal to introduce a services passport, as part of a focus on professional services and regulated professions
- measures to address unjustified different treatment of consumers on the basis of residence, or nationality, or location (so called "go-blocking")
- actions to help SMEs and start-ups to grow, including to simplify the VAT requirements for SMEs
- an initiative to modernise the intellectual property framework, including measures to support the use of intellectual property by SMEs

Lead officials:

Assistant Secretary: Philip Kelly x 2183 PO: Conor Verdon x 2418

Item:

**All Government services to business will be available online by November 2017
(Also an initiative under the Action Plan for Jobs 2016)**

Summary:

This Disruptive Reform under the 2016 Action Plan for Jobs arose following an EU Pilot infringement case initiated by the European Commission against Ireland in July 2015 for possible violation of Articles 6-8 of the Services Directive. This Department submitted a Memo to Government which resulted in a Government decision in November 2015 to make all significant Government services to businesses available online by November 2017.

This Disruptive Reform is aligned with one of the core objectives of the Public Sector ICT Strategy of Digital First, that is, the digitisation of key transactional services and the increased use of ICT to deliver improved efficiency within public bodies and provide new digital services to citizens and businesses.

The overall ambition of this action is to reduce the administrative burden particularly for small and medium sized businesses and start-ups (see also "Licences.ie under Section 3.2.6 below).

**Next steps/
timeframe**

- Examine the licensing, authorisation, certification, permit application, and payment-taking procedures most relevant to business users, especially SMEs, which DJEI and all offices, agencies, local authorities and other licensing bodies under its aegis

provide, and present a detailed plan for the full e-delivery by November 2017 of such procedures. (Q1 2016)

- Provide updates each quarter on progress achieved towards the Government's commitment to make all licensing, authorisation, certification, permit application, and payment-taking procedures for business fully available online on a progressive basis by November 2017.
- Provide regular updates through the appropriate Cabinet Committee structures on progress by all Departments to achieving compliance with the requirement of making all licensing and authorisation procedures available online by November 2017

Lead officials: Assistant Secretary: Philip Kelly x 2183 PO: Conor Verdon x 2418

Item: **Services Directive Implementation**

Summary: The Services Directive was implemented in Ireland in November 2010 by SI 533 of 2010 – The European Union (Provision of Services) Regulations.

The Services Directive aims to maximise the advantages of the Single Market for services for the benefit of consumers and businesses. It obliges Member States to increase transparency for undertakings and service recipients including through a Point of Single Contact and eliminate unjustified or disproportionate requirements. The Directive covers a large variety of sectors ranging from traditional activities to knowledge-based services. The impact of the Directive is wide-ranging and affects service providers both large and small, including thousands of SMEs.

A key priority is to ensure that relevant Irish legislation, public policies and practices are in conformity with the Directive.

**Next steps/
timeframe**

- Continuing review of relevant national legislation for compliance
- Further enhancement of single market portals, such as, Point of Single Contact (PSC), SOLVIT, IMI and Your Europe
- Active participation in the Group of Like Minded Member States which promotes best practices across those Member States
- Participate at key business events to raise awareness and publicise the benefits of the Directive
- Engage in user testing of the Point of Single Contact

Lead officials: Assistant Secretary: Philip Kelly x 2183 PO: Conor Verdon x 2418

Business Unit in the Division	Head of Unit (Principal Officer)
Trade Policy Unit	Lorraine Benson

Item: **EU Trade Policy and Free Trade Negotiations**

Item: **Bilateral Trade Promotion**

Summary: In conjunction with Enterprise Ireland and the Department of Foreign Affairs and Trade the unit decides each year on the schedule of Ministerial led trade missions. These are an important means of helping exporters win business, especially in markets where the status of Ministers carries influence and respect. The unit provides the extensive briefing pack that is provided for each trade mission led by the Department's Ministers.

The unit also supports the Minister's participation at the Export Trade Council where discussions among Ministers takes place on strategic topics related to trade, tourism and investment as well as the market plans for export promotion across the priority markets identified in the strategy. In support of this activity the unit provides trade statistics on a monthly basis for virtually every country around the world in addition to a range of trade data on specific topics and regions.

Lead officials: A/Sec: Philip Kelly ext no. 2183 PO: Lorraine Benson ext no. 2452

Item: **Recovery of Export Credit Insurance Debt**

Summary: In 1998, the Government announced that the State was withdrawing from all aspects of export credit insurance. Most Departmental activities in relation to Export Credit Insurance ceased in September 2003 on settlement of the Goodman High Court case. Since then, residual issues are being finalised, principally pursuing debt recovery on policies in respect of which the Department paid out in the past. Some write-offs of old outstanding debts have also been made.

Next steps/
timeframe One debt recovery issue remains and continues to be pursued through the international courts.

Lead officials: A/Sec: Philip Kelly ext no. 2183 PO: Lorraine Benson ext no. 2452

Item: **Export Licensing**

Summary: The key features of the Unit's role are to:

- formulate and implement an effective export control regime in respect of military and dual use goods (goods which have a civil use but may also have a military application) as part of Ireland's commitment to global arms control, non-proliferation of weapons of mass destruction and human rights.
- implement arms embargos and trade sanctions in accordance with Ireland's international commitments and obligations as a member of the EU and UN.
- administer an online licensing regime for the export of controlled items.

Exports

Licensing Unit manages Ireland's controls on exports of controlled goods and

Item:

Employment, Social Policy, Health and Consumer Affairs (EPSCO Council)

Summary:

Overseen by the Trade Counsellor, the EPSCO attaché (Thomas Bourke) coordinates across the various aspects of the EPSCO Council including the consolidation of strong working links with colleagues within the Permanent Representation, from other Government Departments and networks with the Commission, Council Secretariat, European Parliament, Commission Cabinets, and individual Member States and groupings of member states to provide oversight and direction in respect of the management of the Departments interests across the wider Council agenda.

Next steps/
timeframe

The next formal meeting of EPSCO Council will take place on the 16 June under the Netherlands Presidency. The Council will address the Labour Mobility Package, Towards a new Skills agenda for Europe and the European Semester including European Semester Country Specific Reports.

Lead
officials:

Assistant Secretary: Philip Kelly x 2183 PO: Thomas Murray (Brussels) +32 2282 3444
Domestic coordination
 Assistant Secretary: Martin Shanagher x3179 PO: Fiona Flood x3291

Item:

EU Competitiveness Council

Summary:

The Counsellor and team for the Competitiveness Council deal with policy and legislation concerning Competitiveness, Single Market, Enterprise, Research, Innovation, Competition, Consumer, Company Law, Intellectual Property, and Space. Largely framing the context of this work are various EU strategies, including the Digital Single Market strategy, the strategy to further develop the Single Market for Services, the strategy to develop a so-called circular economy, Horizon 2020, the EU Semester, and the EU's better regulation agenda. The team, working with the respective policy sections at HQ, coordinates and consolidates strong working links with colleagues within the Permanent Representation from other Government Departments, and networks with the Commission, Council Secretariat, European Parliament, Commissioner's Cabinets, and individual Member States. This provides oversight and direction in respect of the management of the Department's interests across the wider Council agenda. The team services a wide range of meetings across the spectrum of the above agenda.

Next steps/
timeframe

The next formal meeting of the Competitiveness Council will take place on 26/27 May. On day 1, the Council will review the EU's competitiveness, discuss the EU's better regulation agenda, and, in joint session with the Telecoms Council, will review progress on the Digital Single Market strategy. Day 1 will also include an exchange of views on space issues, including use of space data and possibly EU-US relations. On day 2, the

Council will review research policy issues including an ex-post evaluation of the 7th Research Framework Programme, and regulatory framework conditions for research and innovation. The Commission's proposals concerning digital consumer contracts are being dealt with by the Justice and Home Affairs Council, at which there will be a debate on 22 June.

Lead officials: Assistant Secretary: Philip Kelly x 2183 PO: AnneMarie Finlay (Brussels) +32 2282 3229

Business Unit in the Division	Head of Unit (Principal Officer)
Permanent Representation Geneva	John Newham

Item: **World Trade Organisation (WTO)**

Summary: The Counsellor and team for the World Trade Organisation deals with trade negotiations and policy in the World Trade Organisation and manage and safeguard DJEI and Irish Policy positions within the EU in Geneva. They provide input into the trade negotiations at WTO and participate in International Labour Organisation (ILO) and World Intellectual Property Organisation (WIPO) meetings. They coordinate and consolidate strong working links with colleagues within the Permanent Representation from other Government Departments and network with the European Commission, WTO Secretariat and individual WTO Member States to provide oversight and direction in respect of the management of the Departments interests across the wider WTO agenda. They service a wide range of meetings across the spectrum of the above agenda.

Next steps/
timeframe: The WTO Post Nairobi will be discussed at the Trade Council on 13 May in Brussels. Included in the discussion with the Information Technology Agreement (ITA) and the Environmental Goods Agenda (EGA)

Lead officials: Assistant Secretary: Philip Kelly x 2183 PO: John Newham (Geneva) +41 22 919 1962

Business Unit in the Division	Head of Unit (Principal Officer)
Irish Embassy, London	Declan Morrin

Item: **Enterprise and Trade at the Irish Embassy, London**

Summary: The Counsellor and team for Enterprise and Trade, London pursue and acquire an insight into matters relating to UK enterprise, trade and economic developments insofar as they may relate to Ireland's interests. They report on strategic issues relating to the specific areas of competitiveness, trade and inwards investment, innovation, research and the labour market, as well as reporting on the macroeconomic situation in the UK. They coordinate and consolidate strong working links with colleagues within

Item: **State Agency and Pensions Unit**

Summary: The State Agency and Pensions Unit manages the process attendant on State Board appointments, Agency staffing and pension issues generally. Under the reforms implemented in late 2014 the Personnel Officer is the appointed State Boards Liaison Officer and he coordinates the engagement with the Public Appointment Service in relation to the advertising of State Board vacancies and the submission to the Minister of the list of candidates the "Assessment Panel" deems suitable for appointment after the public advertising process. The Unit also coordinates oversight of the staffing levels in the Agencies who have pay budget limits within which they must organise themselves as well as the engagement with DPER on Agency staffing matters, including CEO contracts etc.

Next steps/
timeframe: Ministers are directly involved in State Board appointments and may also be engaged with by Agency Chairpersons on aggregate staffing issues from time to time.

Lead officials: A/Sec: Philip Kelly x 2183 PO: John Hughes x 2246

Lead officials: A/Sec: Philip Kelly x 2183 PO: John Hughes x 2246

Item: **Learning and Development Unit**

Summary: The Learning & Development Unit (LDU) is the key driver/delivery Unit for the ongoing training and development of the DJEI staff complement. Courses are developed and commissioned in response to individual, grade, business unit or identified cross-Departmental needs. The Unit also operates an Advanced Payment of Fees Scheme under which the Department supports participation in third level education for staff where circa €137k was invested in the academic year 2015/2016. The Unit also is a key driver for the Management Board-led New Ways of Working initiative.

Next steps/
timeframe: Ongoing coordination and delivery of L&D requirements of the Department. Ministerial engagement does not generally arise.

Lead officials: A/Sec: Philip Kelly x 2183 PO: John Hughes x 2246

Item: **Business Services (Accommodation)**

Summary: The Business Services Unit within Corporate Services deals with the Department's accommodation, procurement, fixed assets and health & safety agendas. These are issues that generally do not give rise to Ministerial engagement. In 2016 a number of leases are being relinquished by the OPW for premises where the Department have certain cohorts of staff located and the Department will continue to work with the OPW on relocation arrangements.

Next steps/
timeframe The timing of moves, which the Department is liaising with OPW on, will be managed as efficiently as possible to minimise disruption to Departmental business.

Lead officials: A/Sec: Philip Kelly x 2183 PO: John Hughes x 2246

Business Unit in the Division	Head of Unit (Principal Officer)
Finance Unit	Cathal O’Gorman

Item: **Preparation of detailed briefing material for the Minister’s presentation of the 2016 JEI Estimate to the Oireachtas Select Committee on Jobs, Enterprise & Innovation – date to be determined (likely May/June)**

Summary: The Minister will be invited to present the 2016 JEI Estimate to the Joint-Oireachtas Committee on JEI in the not too distant future post-establishment of new Committees. The information that follows below is a high-level overview of the Department’s Budget allocation for 2016. The JEI Vote spans over 40 Subheads and Administrative funding lines. It is one of the most complex of all Departmental Votes which reflects the very diverse range of responsibilities and activities under the Minister’s remit.

Next steps/
timeframe Await invite from Oireachtas Committee to Minister to present JEI 2016 Estimate.

Lead officials: A/Sec: Philip Kelly x 2183 PO: Cathal O’Gorman, Finance Officer ext 3165

Business Unit in the Division	Head of Unit (Principal Officer)
Freedom of Information (FOI)/Customer Service Unit	Michael O’Leary

Item: **Implementation of the Department’s Irish Language Scheme 2015-2018, with particular focus on the commitment to publish 12 Press Releases in Irish and English every year.**

Summary: This Department's second Irish Language Scheme, which covers the period 2015-2018, was approved by the then Minister for Arts, Heritage and the Gaeltacht and came into effect on 28 September 2015. The Language Scheme sets out the extent to which services are currently available through Irish and identifies areas for future enhancement. It also includes a commitment to assess, on an ongoing basis, the level of demand for services through Irish to ensure that the Department continues to meet this demand in a planned, coherent and accessible way.

One of the commitments in the current Language Scheme states that the Press Office will publish at least twelve press releases per annum in bilingual format.

Next For logistical reasons, it has proved difficult to honour this commitment in relation to

steps/
timeframe the Department's 2010-2013 Irish Language Scheme. While these difficulties formed the subject of correspondence/discussion with An Coimisinéir Teanga and options to resolve them were explored, it is vital that every effort is made over the period 2016-2018 to honour this commitment in the context of the 2015-2018 Language Scheme.

Lead officials: A/Sec: Philip Kelly, ext no.2183 PO: Michael O'Leary, ext no. 2880

Business Unit in the Division	Head of Unit (Principal Officer)
Management Support Unit	Michael O'Leary

Item:

Prepare a new Statement of Strategy 2016 -2018 for the Department

Summary:

Under the provisions of the Public Service Management Act 1997, the Department is required to prepare and submit to the Minister, for approval, a three year Statement of Strategy, within 6 months of the appointment of a new Minister, and, subsequently, at the expiration of the three year period since the last Statement was prepared. This will require a review of the Department's Mission Statement and reflect the Government's and Minister's priorities.

Next steps/
timeframe

This will be initiated immediately on the appointment of the Minister, for finalisation within six months.

Lead officials:

A/Sec: Philip Kelly, ext no.2183 PO: Michael O'Leary, ext no. 2880

Item:

Coordinate preparation of Delegated Orders for new Minister(s), if appropriate.

Summary:

To be clarified in the context of the appointment of any Minister(s) of State

Next steps/
timeframe

As above

Lead officials:

A/Sec: Philip Kelly, ext no.2183 PO: Michael O'Leary, ext no. 2880

Item:

Manage arrangements for Ministerial Management Board

Summary:

Currently Ministerial Management Board meetings takes place every four to six weeks.

The Minister, the Ministers of State and the Special Advisor to the Minister attend these meetings, along with the members of the Management Board. The Agenda is set by the Minister, who also chairs the meeting.

Next steps/
timeframe: Secretary General to discuss with the Minister.

Lead officials: A/Sec: Philip Kelly, ext no.2183 PO: Michael O'Leary, ext no. 2880

Business Unit in the Division	Head of Unit (Principal Officer)
Communications Unit	Michael O'Leary

Summary: A small Communications Unit was established in DJEI in August 2014, with focus initially on building internal communications in a large Department with a wide and diverse range of responsibilities and with staff in multiple locations. An Internal Communications Strategy and Action Plan were developed in 2015 and the Communications Unit focus in 2016 is on the delivery of aspects of this Internal Communications Strategy, including the design and implementation of a new Intranet site.

The Communications Unit also issues a fortnightly electronic external stakeholder newsletter.

Next steps/
timeframe:

Lead officials: A/Sec: Philip Kelly, ext no.2183 PO: Michael O'Leary, ext no. 2880

Business Unit in the Division	Head of Unit (Principal Officer)
ICT Unit	Pat McCourt

Item: **Delivery of the Department's ICT Strategy**

Summary: The Department's ICT Strategy has a number of themes, which aim to continue to build on existing ICT capacity to deliver additional value to the Department, by delivering new online and internal services, using technology to support the move to new shared services and to support Civil Service renewal initiatives, ensuring best practice ICT governance, and ensuring that our systems and support staff are capable of delivering existing services in an efficient, secure and robust manner.

The Department has an extensive ICT infrastructure delivering a very wide range of services both to internal staff and to the Department's customer base. Services include online delivery of services by the Companies and Patents Offices, and online delivery of export licenses. There are internal systems supporting all of the Department's activities, including employment permits, the Workplace Relations

Commission, the Office of Director of Corporate Enforcement, Minister's Offices processes and general office systems, telecommunications and other facilities. The Department's ICT Strategy seeks to further develop these systems, including the delivery of a new online service to apply for employment permits, the migration of systems to new shared service models, and the identification of online delivery options for smaller services.

Next steps/
timeframe

The ICT Strategy contains a number of goals, including:

- Completion of a new on-line infrastructure, to support all online services, including a physical move and further service development by the Companies Office, and the new employment permits online service (quarter 1 2016).
- Development of new online system for employment permits (development during Q1, Q2 2016, followed by system test and go live by Q3).
- Support the migration of the Departments payroll and travel and subsistence systems to shared services (scheduled to commence Q2).
- Engagement with the Office of the Government CIO to secure early inclusion on the programme to deliver shared applications such as eSubmissions and ePQs (commencing Q2).
- New initiatives to support the security of the Department's systems in the light of escalating external threats (Q3/4).

Lead officials:

A/Sec: Philip Kelly; extn. 2183 PO: Pat McCourt; extn. 2565

3.6 Strategic Policy Division Declan Hughes, (Assistant Secretary)

Business Unit in the Division	Head of Unit (Principal Officer)
Action Plan for Jobs & New Sources of Growth	Karen Hynes
Enterprise Policy, Tax and Economic Infrastructures	Maria Ginnity
Skills & Education, Enterprise Programmes and Policies Evaluations	William Parnell
Economic Analysis, Competitiveness, and Surveys	Marie Bourke
Research and Innovation	John Dooley

Details of the key issues within each Business Unit of the Division are as follows:

Business Unit in the Division	Head of Unit (Principal Officer)
Action Plan for Jobs & New Sources of Growth	Karen Hynes

Item

Action Plan for Jobs (APJ) : Development, Monitoring and Implementation

Summary

DJEI works with the Department of the Taoiseach to achieve an integrated whole of Government approach to reform and addressing the key opportunities for, and constraints on, growing jobs, exports, investment and entrepreneurship. The focus in 2016 is on the targets set in our enterprise policy and strategy, Enterprise 2025, of an extra 50,000 at work in 2016 and 2.18 million in employment by 2020. DJEI leads the development of the Action Plan through review of research and analysis of policy issues that impact on the environment for job creation, extensive stakeholder consultation, direct engagement with all Government Departments and relevant agencies and consultation with the Industry Partners Forum. Strategic Policy Division (SPD) coordinated the development of the 2016 APJ across government and the agencies. A number of Industry Partners, who are also appointees to the National Competitiveness Council, had a role in advising on implementation of APJ on key issues.

Monitoring through publication of quarterly progress reports is one of the key innovations of the Action Plan for Jobs (APJ) process. DJEI co-chairs with D. /Taoiseach the Monitoring Committee at Secretary General level. The APJ Unit is also responsible for monitoring DJEI and its agencies quarterly reports. In 2015 there was a small but notable drop in the implementation rates across all Government Departments and while the Unit sought to address this in developing APJ 2016 through less actions and a greater focus on delivery dates this should be monitored more closely in 2016. The outputs will be quarterly progress reports with high implementation rates, and tracking of performance towards achieving the Enterprise 2025 target of 200,000 additional jobs by 2020.

Action Plan for Jobs 2016 marked the transition to a more medium term focus in the Action Plan and it is anticipated the process will evolve further in 2016 to reflect changes in the economic environment. It is important that the focus remains on addressing in an integrated cross-government way the key opportunities and constraints on enterprise job growth and development and this will require a focus on ensuring a collaborative approach to developing Action Plan for Jobs 2017 across all

Government Departments. The anticipated output will be a strong Action Plan for Jobs that sets clear and coherent actions for demonstrably improving the environment for job creation in Ireland, to achieve the annual targets required to achieve the EP2025 target of 200,000 additional jobs by 2020

Next steps/
timeframe Ongoing
Lead officials A/Sec: Declan Hughes x2869; PO: Karen Hynes x2870

Item **Case for Public Investment in RD&I and Knowledge Based Capital**

Summary Ireland’s future economic growth will more strongly depend on the production, distribution and use of knowledge than ever before. Hence the strong focus as part of enterprise policy nationally and internationally on R&D, innovation, skills and key personnel, in addition to the importance at firm level of intangibles assets such as digital systems and knowledge; scientific and creative property; and company-specific human capital, company structure, advertising and brand value.

In the first instance the focus of the review will be on setting out the importance of knowledge based capital investment in areas such as skills and R&D to employment and export growth, where Government plays a significant role and where public investment is important.

Objectives for this work include:

- Review Ireland’s public and private investment in knowledge based capital and benchmark internationally;
- Determine, to the extent possible, the contribution of DJEI enabled support to Ireland’s economic development;
- Following on from the above identify opportunities:
 - to increase both public and private investment in knowledge based capital;
 - to increase value creation from that investment.

The output will be a clear case for increased investment in Knowledge Based Capital, including through DJEI, and better understanding and articulation of its role in Ireland’s future economic development, towards the outcome of achieving an increase in public and private investment in knowledge based capital in Ireland and optimising the return on investment.

Next steps/
timeframe Work to be complete by mid-year as part of the DJEI pre-Budget submission and input to the potential Capital Programme mid-term review.

Lead officials A/Sec: Declan Hughes x2869; PO: Karen Hynes x2870

Item **Digital Economy Strategy for Ireland**

Summary APJ 2016 commits DJEI to “bring forward proposals as to how best to capture the digital economy opportunities for enterprise” working the Dept. Communications, Marine and Natural Resources (DCENR) and Department of the Taoiseach. The rollout

of Ireland’s Broadband Intervention Strategy by the end of 2018 will enable 85 per cent of premises to have access to broadband services of at least 30 megabytes per second by 2018 and all premises by 2020. This offers potential for significant productivity growth, innovation and sales growth. However this is a complex policy environment requiring an integrated Government approach. Specific policy issues that arise include broadband policy, Data Protection, open data, cybersecurity, skills, regulatory and competition issues, and innovation.

The objectives are to:

- Identify new and emerging opportunities for businesses and entrepreneurs to create value from the Digital Economy;
- Identify the policy issues across Government that are critical to creating an enabling environment for these opportunities;
- Review Ireland’s progress in addressing these policy issues and set out an action plan to strengthen the environment and remain best in class internationally;
- Progress these actions through the appropriate Government structures.

The output is to be a clear set of policy actions (with timelines and owners) to improve the environment for the Digital Economy in Ireland, and a policy environment that supports enterprise in creating value from the Digital Economy.

Next steps/
timeframe Progress review with D/Taoiseach and DCENR.

Lead officials A/Sec: Declan Hughes x2869; PO: Karen Hynes x2870

Item **Licences.ie – Integrated Licensing Application System**

Summary The introduction of an Integrated Licence Application Service (ILAS) was a disruptive reform in the Action Plan for Jobs 2013, with rollout service to the retail sector in the first instance. The objective is to reduce dramatically the amount of time businesses spend applying for licences thereby reducing the administrative burden and change how businesses and licensing bodies interact. The design and system build work for licences.ie is complete and the Service is now available for all Licensing Authorities to use as their online application process, such as the Irish Film Censor, Property Registration Authority, local authorities and DJEI and is also available to all businesses to apply for, renew and pay for their licences (those that are available on the Service) through www.licences.ie

Objectives for 2016 are to work with An Post, who won the competitive tender process to provide the service, to formally launch and rollout of Licences.ie to all public Licensing Authorities eligible under the framework agreement to work with Government Departments as appropriate to transition to the platform as part of the APJ Reducing Red Tape Disruptive Reform to get all government transactions with business online by end 2017, to review licenses currently available on licences.ie and identify significant gaps.

The outputs for 2016 will be an increase in number of licences available on licences.ie and the desired outcome is to reduce the administrative burden on SMEs and entrepreneurs by providing a single application portal for all licences and authorisations required to establish and operate a business in Ireland.

Timeframe Ongoing

Lead officials A/Sec: Declan Hughes x2869; PO: Karen Hynes x2870

Item

Increasing SME engagement in R&D

Summary

Arising from Innovation 2020, Action Plan for Jobs 2016 commits DJEI to review the full range of State financial aid for RDI, both direct and indirect (tax credits, Knowledge Development Box), in terms of the level of support available and eligibility rules, to ensure that the needs of small and young firms are being catered for as well as those of larger, established firm. The review will also assess the incentives available internationally to ensure that Ireland’s offering remains competitive.

The OECD, in its Economic Review of Ireland 2015, noted that future innovation requires a stronger contribution by Ireland’s domestic firms and suggested that Government can help strengthen the indigenous sector by rebalancing its innovation policies towards more direct forms of support which would also include support for collaboration or partnering with public research performers.

This work will also draw on a peer review of policies to support R&D being led by Ireland as part of the Small Advanced Economies Initiative (SAEI) in 2016. All of the SAEI member countries provide financial incentives for Business R&D (BERD) but each country differs quite significantly in terms of how much is spent, the number and focus of the range of policy measures used, the balance in the use of grants as opposed to tax credits, and detailed aspects of design. Countries also differ in terms of the additional amount of BERD secured for tax spent. The project will look to share evidence and ideas with other countries, with a view to developing a set of guidelines on optimal policy approaches.

The output will be a report detailing a comparative analysis of policies to promote BERD across the seven SAEI countries that will contribute to assessing the optimal policy mix to achieve increased engagement by SMEs in RDI.

Timeframe

To be complete by end Q3 following benchmarking at the Small Advanced Economies meeting in Dublin in early September 2016.

Lead officials

A/Sec: Declan Hughes x2869; PO: Karen Hynes x2870 ;PO: John Dooley x 2858

Business Unit in the Division	Head of Unit (Principal Officer)
Enterprise Policy, Tax and Economic Infrastructures	Maria Ginnity

Item

Key Enterprise Sectors - Competitiveness and Strategy Development

Summary

The need to implement a systematic approach to sector ecosystem development was set out as a key action in Enterprise 2025, to position Ireland as a location of choice for

our entrepreneurs and scaling Irish owned enterprises as well as for foreign owned investment. There is need for strengthened cross-departmental execution with optimal use of constrained resources to deliver greater economic impact.

The main objective is to maintain a strategic policy focus on individual sectors in a coordinated manner over the longer term through:

- Effective horizon scanning through the Sector Briefs mechanism. Reviewing and updating the suite of 18 existing sector briefs, through a combination of desk based research and data updates, and consultation with relevant stakeholders (enterprise agencies and others such as Tourism Ireland/Fáilte Ireland) to determine key policy priorities and developing new additional sector briefs as appropriate
- Embedding clear criteria by which an elevated sectoral ecosystem development initiative is activated. Providing an overview to the Management Board, articulating any candidate sector/activity area that may require an elevated sector ecosystem development initiative to be activated and including a horizontal review across sectors to highlight areas of emerging opportunity and disruption in the context of convergence dynamics and new and emerging end markets
- Establishing effective leadership, collaborative structures and operating principles. Setting out a mechanism for delivery through ecosystem development teams – based on clear principles, priorities, resources, responsibilities etc., - and that is agreed by relevant stakeholders.

The outputs will include fully updated suite of at least 18 sector briefs together with clearly identified policy priorities at a sectoral level and an assessment in relation to the necessity if any of activating a sector ecosystem development initiative. The desired outcome is clarity in relation to sector policy priorities, with easily accessible information about key developments at a sectoral level that is shared across DJEI, the enterprise agencies and other Government Departments and early warning of possible sectoral disruptions and opportunities that can be progressed

Next steps/ timeframe Start and End Dates: Q2-Q4
 Lead officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x2864

Item

International Financial Services

Summary DJEI played a key role working closely with the enterprise development agencies to provide evidence, analysis and expertise in the development of IFS 2020 - The National Strategy for International Financial Services that was produced by Department of Taoiseach together with Department of Finance under a High Level Implementation Group, on which the Secretary General is a member.
 DJEI also participates on the Public Sector Group that drives implementation (meets every fortnight). Progress reports are produced quarterly by DoT and DJEI will continue to engage in 2016.

Next steps/ Regular meetings / monitoring of implementation
 Greater engagement toward latter part of the year to develop Action Plan 2018

Lead officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x 2864

Item	Input to new Trade, Tourism and Investment Strategy and Export Trade Council (with Trade Policy Division)
Summary	<p>The Strategic Policy Division (SPD) in collaboration with Bilateral Trade Policy Division has an ongoing commitment to the Export Trade Council on reviewing our trade strategy implementation. A set out in the Action Plan for Jobs, a successor to the TTIS 2010-2015 will be prepared in 2016, involving DJEI and DFAT, together with other Departments. SPD working with Trade Policy Division will seek to ensure that the new strategy is aligned with national enterprise policy as set out in Enterprise 2025 and informs agency strategies over the coming years. The objectives of this work in 2016 include to:</p> <ol style="list-style-type: none"> 1. Ensure that national enterprise policy objectives are reflected in the new TTIS; 2. Provide ongoing support to the Export Trade Council meetings with respect to briefing material and progress updates as appropriate. <p>Among the key areas of input will include a review of trade and investment performance, geographic performance and strategic ambitions including for Asia-Pacific and the Americas, 2020 Metrics, targets and enhanced cross agency coordination and reflecting new modes of internationalisation such as establishing a presence overseas, contracts secured, Merger & Acquisition (M&A) activity, examining the potential for future growth in trade in services and identifying the key strategic risks to successful realisation of Ireland's trade ambition as set out in Enterprise 2025.</p>
Next steps/ timeframe	Following the Export Trade Council (ETC) meeting in January, it is envisaged as part of the Action Plan for Jobs that the initial scoping work for the new Strategy will start in the first half of 2016.
Lead officials	A/Sec: Declan Hughes x2869; PO: Maria Ginnity x2864;

Item	OECD and EU Tax Policy Developments
Summary:	<p>There have been significant developments in the international tax environment with implications for Ireland's tax policy since the publication of G20/ OECD's BEPS (Base Erosion and Profit Shifting) guidance in October 2015. Ireland responded quickly to the OECD recommendations introducing country by country reporting provisions and a new Knowledge Development Box in the Finance Act 2016. DJEI's objective is to continue to influence the implementation of requirements under BEPS, working with Department of Finance in areas that are of most relevance to our enterprise base, and where optionality is available. Work is ongoing on certain aspects in 2016, including for example the allocation of profit to permanent establishments and aspects relating to financial services.</p> <p>The EU Commission is seeking to address corporate tax avoidance through and an Anti-Tax Avoidance Package (January 2016). Of particular relevance for 2016 is:</p> <ul style="list-style-type: none"> • Proposed Directives under the EU Anti-Tax Avoidance Package that would introduce a coordinated EU framework for the G20/OECD BEPs guidelines, dealing with issues that are not 'minimum standards'.

- The re-launch of a revived Common Consolidated Corporate Tax Base (CCCTB) which is to be mandatory for (Multinational Enterprises)MNEs and progressed in a staged approach, with deferral of the issue of consolidation. The proposed Directive is expected in Q4 2016.

In terms of the EU directives, our objective is to identify where the package goes further than OECD proposals to determine whether this is optimal policy for the EU and Irish enterprise base. The aim is to ensure, that in the context of such significant changes in the international tax environment, that Ireland takes the most appropriate policy decisions, remaining true to the BEPS principles while ensuring that our international competitiveness is not compromised.

Of relevance to the wider policy agenda is the fact that the OECD favours an approach for profit allocation that aligns with the presence of key decision makers (managing capital allocation and risk bearing decisions). Ireland's continued focus on Talent (nurturing, developing, retaining and attracting) and the inter-related 'quality of life' dimensions are directly pertinent.

Next steps/
timeframe DJEI will work with the development agencies and other key stakeholders to assess issues presented for enterprise, and to inform policy responses.

Lead
officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x 2864

Item

Pre Budget Tax Submission 2017 and Making Work Pay for People with Disabilities

Summary: DJEI will prepare a joint agency (EI, IDA and SFI) pre-budget tax submission for 2017. The objective of the submission is to ensure that the tax priorities of DJEI and the enterprise development agencies form an integral part of the 2017 budgeting process. The key guiding principles will be ensuring the competitiveness of Ireland's tax offering and seeking to minimise any increases in enterprise costs. Likely priorities to include:

- Mix of direct and indirect supports for entrepreneurship including Capital Gains Tax
- Share options for employees
- Employment Investment Incentive (EII) and Startup Refunds for Entrepreneurs (SURE) schemes
- Self-employed tax credit
- Simplification of personal taxation regime and reducing marginal tax rates towards those in comparator countries
- Talent for Ireland scheme to attract needed skills to the country.

The submission will also be informed by the post BEPS international context and implications for domestic tax policy priorities in the immediate term (e.g. such as talent attraction/competitive income tax regime). Post announcement of Budget 2017, DJEI will continue to engage with DoF as the Finance Bill is drafted to ensure that the detail as set out does not inadvertently put barriers in place for enterprise.

In addition, DJEI will make a number of submissions to Department of Finance Consultations. These include a review of Self-Employment & Intermediary-type Structures (where an individual establishes a company to provide his/her services), and a review of the R&D Tax Credit which D/Finance have indicated may be undertaken this year also.

DJEI is also represented on the Department of Social Protection interdepartmental group reviewing the interaction between the tax and benefit systems and net income gains in employment for people with disabilities, which is to report by Q4 2016. Our aim is to ensure that a balanced and considered approach is taken to develop recommendations that clearly address the specific issues identified.

Next steps/
timeframe Agree priority areas of focus for Pre-Budget Tax Submission, Completed by end Q2 2016

Lead
officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity

Item

Pensions Reform - Universal Retirement Savings Proposals

Summary: Analysis by OECD (and others) has found that Ireland is facing considerable challenges in terms of financial sustainability of the pension system as the population ages. The OECD review points to the need to improve pensions' adequacy and coverage, particularly for middle to low income earners. A Universal Retirement Savings Group (URSG) was set up by the Department of Social Protection in January 2015, of which DJEI is a member together with other Government Departments, NTMA, Central Bank, the Pensions Authority and international experts in the area.

The remit of the Group is to "prepare, for consideration by Government, a roadmap and timeline for the introduction of a new, universal, supplementary workplace retirement saving system." A sub-group has been established to consider options for the design of a new scheme, taking into account aspects such as auto-enrolment/mandatory approaches. DJEI plays a key role on this sub-group, to ensure that consideration is given to the implications for cost competitiveness and potential upward cost pressures on labour and the most appropriate balance between employee, employer and State in terms of level (percentage of salary) and proportion of contribution, together with practical issues that may arise to the timing, scale and extent of employer contributions, administration of the scheme and unintended consequences as between treatment between employee and self-employed and business start-ups.

Next steps/
timeframe Engagement and contributions to the sub-group on the design of the scheme and representation on the Steering Committee – timing dependent on Dept. Social Protection (DSP), and likely to be over the period of circa 18 months – 2 years.

Lead officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x 2864

Item

Enterprise Policy Input to the development of Regional Spatial and Economic Strategies and the National Planning Framework

Summary Improving the quality and attractiveness of the regions and towns around the country for enterprise investment (whether foreign or Irish owned) and for people to live and work needs to be underpinned by a coherent national planning framework that

addresses the needs of enterprise. DJEI will engage on the development of the successor to the National Planning Framework (NPF) and the Regional Social and Economic Strategies (RSES) that will be led by the three new Regional Assemblies to provide joined-up enterprise policy and agency input on development opportunities and spatial and investment priorities and informed by the Regional Action Plans for Jobs. The outcome should be effective influencing of policy developments in relation to investment, planning and Local Government that are aimed at enhancing the competitive environment for enterprise development.

Next steps Dependent on DECLG timelines – likely Q2-Q4

Lead officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x2864

Item

Infrastructure for Enterprise Policy Analysis and Cross-Departmental Engagement

Summary

The availability of competitively priced world class economic infrastructure (energy, transport, waste and water) and related services is critical to support economic growth and enterprise development. A key focus in 2016 will be on working with lead Government Departments and utility providers on assessing and ensuring that Ireland has a competitive offering for FDI and SME investments, encompassing a number of areas including transport, water, energy, waste management infrastructure. These policy areas are not directly within the control of DJEI, so providing an in-depth understanding of enterprise needs and the competitive global environment for investments places the Department in a key position to influence policy choices. The specific areas of focus for 2016 include:

- **Water & Waste Water:** DJEI with the agencies is engaging with Irish Water on the key issues of water and waste water costs and pricing for non-domestic (enterprise) users, supply and headroom capacity, investment in infrastructure, connection processes and costs and on opportunities for enterprise from developments. In 2016 DJEI will be responding to a small number of specific, formal consultation process related to water infrastructure investment, non-domestic tariffs, and non-domestic connections policy. This will generate specific outputs (formal submission papers) across 2016.
- **Energy Competitiveness.** DJEI is engaged with Department of Communication, Energy and Natural Resources (DCENR) to identify ways, from an enterprise development perspective, the primary challenge facing Ireland is to reduce energy costs while delivering on our security of supply and environmental sustainability objectives. The Government's recently published Energy White Paper includes a commitment for, inter alia, DCENR to work with DJEI to implement Enterprise 2025 and develop an appropriate measure of Ireland's relative energy cost competitiveness that can form part of the monitoring, implementation and review process for this White Paper. The output of this work in 2016 will be agreement on, and progression of, a controllable energy costs work programme with DCENR, to include quantification of the controllable cost elements and on renewable energy.
- **Energy Infrastructure Demand Analysis.** DJEI and the agencies are working with DCENR and Eirgrid on how best to ensure adequate regional/local spare energy network capacity to meet additional enterprise demand, especially in the main urban centres. This is particularly important to facilitate large, energy intensive manufacturing or data-centre activity. The focus of this work in 2016 will be

transmission grid capacity, with the objective of assessing whether the electricity grid is capable of delivering generated capacity to the locations required by FDI and indigenous firms. (Complete by Q3)

- Transport. With indications of a forthcoming mid-term review of the Public Capital Programme (PCP) for 2016-2021, it is important DJEI sets out the transport priorities for enterprise development. The aim is to influence Dept. Transport, Tourism and Sport (DTTAS) and other Departments for the prioritisation of specific enterprise and competitiveness relevant investments under the Plan. Enterprise priorities include:
 - land transport adequate, frequent and competitively priced public transport, reforming the regulatory framework for all transport services and ensuring high quality road access from Dublin to the north-west gateways of Sligo and Letterkenny and high quality access along the Atlantic Corridor (Sligo-Galway-Limerick-Cork-Waterford);
 - air transport the priorities include developing new direct air links, providing cost optimal airport infrastructure investment and ensuring cargo handling and custom facilities minimise delays; and,
 - maritime transport the priorities include improving intra-port competition and benchmarking of performance is important to ensure that cargo handling infrastructure within ports is working well for port users and improving internal access to the ports on the island (road and rail). (Complete by Q4)
- Waste management services. Dept. of Environment, Community & local Government (DECLG) is responsible for waste management and circular economy policy and a key challenge for waste policy in Ireland is ensuring that it supports national competitiveness as well as environmental sustainability policy objectives by identifying and exploiting the resource potential of waste for new product development and jobs. The objective is to ensure that waste policy and regulatory decisions taken, including in relation to the circular economy, are mindful of the competitiveness agenda and growth opportunities in the circular economy.
- Infrastructure Briefs. SPD will update a suite of Infrastructure Briefs highlighting the main issues and priorities for business users across each infrastructure area informed by our research and analysis during 2016. The Briefs provide a resource to the Department and its Agencies in their advocacy work on behalf of enterprise across the government system.

The work will also link into activity elsewhere in the Department on the development of the forthcoming National Planning Framework and Regional Spatial Economic Strategies.

Timeframe Policy analysis and advice to be provided throughout the year.

Lead officials A/Sec: Declan Hughes x2869; PO: Maria Ginnity x. 2864

Business Unit in the Division	Head of Unit (Principal Officer)
Skills & Education, Enterprise Programmes and Policy Evaluations	William Parnell

Item:

Refresh the mandate and membership of the Expert Group on Future Skills Needs (EGFSN).

Summary: The EGFSN was established in 1997 to advise the Government on current and future skills needs of the economy and on related labour market issues. The Group reports jointly to the Minister for Education & Skills and the Minister for Jobs, Enterprise and Innovation.

The new National Skills Strategy, to which DJEI contributed a range of inputs, was published by the Department of Education and Skills in January 2016 and proposes the establishment of a new National Skills Council to oversee research, advise on the prioritisation of identified skills needs, and on how to secure delivery of such identified needs.

The Skills Strategy indicates that the EGFSN and its mandate will be refreshed to align its role with the new architecture under the National Skills Council. XXXXXXXXXXXXXXXX
XXX.
The alignment of the EGFSN with the new National Skills Council can help to enhance the relevance and impact of the Expert Group’s work with a view to ensuring that the skills needs of the economy – both current and in the future – are addressed more effectively.

DJEI also provides research, analysis and Secretariat support to the EGFSN, with additional support and statistical research provided by the Skills and Labour Market Research Unit in SOLAS. This research, analysis and support contributes to, and enables the production of, key annual reports on skills issues by the EGFSN, as well as sectoral and cross-sectoral reports on future skills needs.

Next steps/
timeframe A draft revised Terms of Reference for the EGFSN will be prepared, in consultation with the Department of Education and Skills, and submitted to both Ministers for approval. The aim is to have the revised Terms of Reference approved by the incoming Ministers as soon as possible.

Lead officials: A/Sec: Declan Hughes, Ext. 2869 PO: William Parnell, Ext. 2345

Item:

Addressing ICT, Biopharma and Design Skills Needs and Progressing implementation of key EGFSN outstanding recommendations

Summary: DJEI through the EGFSN and other fora is actively engaged in seeking to ensure that the skill needs of key sectors are identified and addressed by education and training providers. The priority areas of focus in 2016 are:

- **ICT.** ICT is the single largest area of skills requirement across the enterprise sector at present. Highly skilled ICT professionals are needed not just in the ICT sector itself, but in many other fast-growing sectors of the economy (e.g. International Financial Services, Business Services, High-end manufacturing). The ICT Skills Action Plan 2014-2018, published in March 2014, sets out a series of initiatives to meet ICT skills needs through a mixture of domestic supply and skilled inward migration. However, demand for ICT skills is increasing and is set to exceed the projected demand on which the current ICT Skills Action Plan was based. XXXXXXXXXXXXXXXXXXXXXXXXXXXX
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- **Top Tech Skills Portal.** Under a Pillar of the ICT Skills Action Plan, the Department, through Enterprise Ireland, is funding and actively participating in a joint Government/industry initiative to attract top Tech Talent from abroad to Ireland

through a web/media campaign. A dedicated website, TechLifeIreland, is due to go live towards the end of May 2016. This will be followed in the subsequent weeks by an industry event involving Ministerial attendance.

- **Biopharma Skills.** Throughout the last year there have been a number of significant announcements from companies in the BioPharma sector, who will have a requirement for skilled recruits. The EGFSN conducted a report on the skills needs of the PharmaChem/BioPharma sector in 2010. However, there is a need to revisit the skills needs for BioPharma in light of the recent strong growth in the more complex Biologics manufacturing in particular. The Skills & Education Unit in the Strategic Policy Division is conducting a review of the supply and demand of the skills needs of the BioPharma sector for the EGFSN, in consultation with representatives from the sector. The review will recommend responses to address any identified gaps in skills provision. The review will be completed in mid-2016.
- **Design Skills.** Internationally, there is an increasing policy focus on leveraging design as a driver of innovation, and design has the potential to act as a key driver in Ireland's economic recovery and innovative growth. Building on DJEI's "Policy Framework for Design in Enterprise in Ireland" (Jan 2016), a study will be conducted to profile the nature and type of skills required across the economy in both design-intensive and non-intensive sectors. It will include a profiling of the current provision of design skills. The study will also explore how greater interdisciplinary collaboration can take place within education provision, and identify ways to bridge the gap between the STEM and creative disciplines.
- **EGFSN Outstanding recommendations.** With the economy now in recovery mode and competition for talent now emerging, it is appropriate to review the status of recommendations made by the EGFSN over the last 5 years to identify and prioritise any key outstanding recommendations which are still important to enterprises and the economy. This review can help to inform the work of the National Skills Council and Regional Skills Fora and will be completed in Q2 2016.

Next steps/
timeframe Timeframes are set out in the text above.

Lead officials: A/Sec: Declan Hughes, Ext. 2869 PO: William Parnell, Ext. 2345

Item:

Evaluations: Irish participation in EU FP7/Horizon 2020 research programme, Agency Overseas Trade and Investment Promotion Activity and Lean Transform Programme

Summary: DJEI has established a systematic process of evaluating key programmes and policies, with the overarching goal of determining the appropriateness, efficiency and effectiveness of expenditures and activities. The key areas of focus for 2016 are:

- **EU Framework Programmes.** The EU's 7th Framework Programme for Research & Technological Development (FP7) ran for the period 2007-2013 with the objective of strengthening the scientific and technology base of European industry and to promote research that supports EU policies. Ireland's drawdown in FP7 exceeded €600m. A target of €1.25bn has been set for the successor programme, Horizon 2020. An ex-post evaluation of Ireland's participation in FP7 and an interim evaluation of participation in Horizon 2020 are being conducted to provide guidance on how Ireland's participation in EU framework programmes can be best aligned with national Science, Technology and Innovation objectives, and how best

to maximise levels of participation, investment and scale.

- **Agency Overseas Trade and Investment Promotion Activity.** The overarching goal of this evaluation is to determine the appropriateness, efficiency and effectiveness of the overseas office networks and activities of EI and IDA. The evaluation is particularly pertinent in the context of the development of the next Strategy for Trade, Tourism and Investment (due for completion in 2016) which will set out the roadmap for the achievement of agency targets for exports, employment and investment as set out in Enterprise 2025.
- **Lean Transform Programme.** Enterprise Ireland's Lean Business Offer is made up of three levels of support: LeanStart, LeanPlus and LeanTransform. The first two of these were covered in a programme of evaluations conducted between 2012 and 2014. However, LeanTransform, which is a large scale, extensive company transformation programme, was in its infancy at the time. It is now proposed to commence the evaluation of this programme in 2016.
- **Value of standards** to enterprise competitiveness and economic growth

Next steps/
timeframe The FP7 evaluations are under way and will be completed by end May. The review of agency overseas activity will commence by mid-year and the Lean programme review will commence by year end.

Lead officials: A/Sec: Declan Hughes, Ext. 2869 PO: William Parnell, Ext. 2345

Item: **Review of economic appraisal model of agency supports**

Summary: The Economic Appraisal Model is used by the enterprise development agencies, IDA Ireland and Enterprise Ireland, as part of their ex-ante project appraisal process to assess the likely costs and benefits arising from projects supported through Capital and Employment grants (only) and to ensure the State gets value for money. The last full review of the model was undertaken by Forfás in 2003 and there has been significant structural change in the enterprise base and in the economy since then. In addition, Dept of Public Expenditure and Reform (D/PER) has produced updated parameters for appraisal of public expenditure, which may impact on the current model. Against this backdrop, it is now timely to review the model so that it continues to provide a robust basis for appraisal of agency expenditure, now and over the next decade

Timeframe The review will commence in Q3 2016 and will be completed in early 2017.

Lead officials: A/Sec: Declan Hughes, Ext. 2869 PO: William Parnell, Ext. 2345

Business Unit in the Division	Head of Unit (Principal Officer)
Economic Analysis, Competitiveness, and Surveys	Marie Bourke

Item: **National Competitiveness Council - Research, Communications, and Secretariat Support**

Summary Sustaining improvements in Ireland's competitiveness is essential to growing exports and employment and thereby exchequer revenues. DJEI places a high priority on ensuring that the key enterprise competitiveness issues are identified and prioritised for action across the government system. Our Enterprise Policy priority is that Ireland achieves a top-three competitiveness ranking by 2020.

The National Competitiveness Council (NCC) is supported by the Strategic Policy Division (SPD) and our objective is to ensure that a robust evidence base of the key enterprise competitiveness issues is available to Government and effectively communicated by the NCC Chairman, Prof Peter Clinch. In 2016 this will include four scheduled meetings of the Council, which comprises employers, unions representatives and advisors from all key economic ministries, management of NCC research and analysis and regular dialogue with the main economic actors to ensure NCC views are known and to achieve buy-in to implementation of recommendations.

The outputs of the Council will include three annual publications as follows:

- **Costs of Doing Business in Ireland 2016.** Costs continue to be the key challenge highlighted in a range of business surveys. Costs of Doing Business in Ireland 2016 builds upon a series of Costs reports undertaken in recent years. This year's report assesses labour, property, transport, utility, business service and credit costs and was noted by Government in April prior to publication. This report provides DJEI, other Departments and stakeholders with an understanding of the key cost areas for enterprise and can direct policy focus towards those areas which require attention.
- **Ireland's Competitiveness Scorecard 2016.** Benchmarking our competitiveness performance is an essential exercise, and provides a statistical basis to identify Ireland's competitiveness strengths and weakness. By comparing Ireland's performance across a range of over 130 indicators and against 18 of our key competitors, benchmarking also provides us with the analytical underpinning to formulate policy recommendations designed to maximise Ireland's international competitiveness. The terms of reference of the National Competitiveness Council (NCC) require that it produce an annual report benchmarking Ireland's competitiveness against other countries. Ireland's Competitiveness Scorecard 2016 will provide an evidence base for policy recommendations in Ireland's Competitiveness Challenge and other projects on competitiveness issues and strengthen the focus on productivity, entrepreneurship, climate change and other areas to be agreed by Council.
- **Competitiveness Challenge 2016.** The NCC Terms of Reference require the Council to produce a Competitiveness Challenge report. Ireland's Competitiveness Challenge 2016 will aim to provide the most authoritative and comprehensive assessment of the main challenges to Ireland's economic success and will make recommendations on appropriate Government policy actions to address them. Building on Ireland's Competitiveness Scorecard, it will identify the main competitiveness challenges facing the business sector in Ireland over the medium term, and the policy responses required to meet these.
- **NCC Submission to Action Plan for Jobs 2017 /Government alternative Building on the NCC Challenge,** the output will develop practicable actions to support competitiveness that are implementable and that tie in to the Government's economic planning.
- **Competitiveness Bulletins** are an effective means of disseminating analyses and for stakeholder engagement to influence competitiveness initiatives, towards the objective of achieving improvements in the national competitiveness environment.

Selected topics in 2015 included IMD, WEF and World Bank Doing Business Rankings, Electricity Costs, Labour Market and Competitiveness and Capital Investment. Topics for 2016 bulletins might include insurance costs; legal costs; and “why competitiveness matters”, exchange rates, housing, productivity, the harmonised competitiveness indicator.

Timeframe Costs of Doing Business to be complete Q1, Competitiveness Scorecard to be complete Q2, Competitiveness Challenge and APJ submission Q3 and Q4.

Lead officials A/Sec: Declan Hughes x2869; PO: Marie Bourke, X 2846

Item **Refresh of Ireland's Competitiveness Framework**

Summary Defining and understanding “competitiveness”, its determinants and methods of measurement are crucial to the work of the Council. Over the last decade, the Council has used a competitiveness framework to explain competitiveness. The academic literature on competitiveness has expanded rapidly in recent years in terms of our understanding of competitiveness and its determinants and, in particular, the means of measuring competitiveness. The Council now wishes to re-examine its competitiveness framework to ensure it still reflects best international practice. The purpose of this project is to review best practice and current thinking on national competitiveness to ensure that the work of the Council remains relevant and continues to evolve to reflect the most up-to-date thinking on competitiveness. This will include wider consultation through a call for submissions on the review.

Next steps/ timeframe Publication of report in April 2016 for consultation and NCC response by mid-year.

Lead officials A/Sec: Declan Hughes x2869; PO Marie Bourke Ext 2846

Item: **Housing Supply Impacts on Competitiveness**

Summary: The NCC secretariat is working in consultation with the Department of the Environment which has policy responsibility for housing supply and demand issues, as these are important from an enterprise competitiveness perspective. A functioning, sustainable housing market is an essential element of a vibrant, competitive economy - high or rapidly increasing residential property prices (both purchase prices and rental costs) damage competitiveness. DJEI's focus in the first instance is on the issue of affordability as an insufficient supply of affordable housing places firms at a competitive disadvantage; upward pressure on wages is created with knock on effects on the costs of living. Current and potential employees have fewer housing choices if prices rise to non-affordable levels. Variations in affordability of housing between areas may create labour market impediments. High housing and rental costs also deter immigration of skilled workers the economy needs to sustain its current growth levels and could jeopardize the ambitious targets for returning diaspora set in Global Irish: Ireland's Diaspora Policy.

The objectives of this work include to develop an affordability metric based on the ratio

of prices and/or mortgage repayments and rents to income per person after tax and/or disposable household income and to compare Irish affordability with comparators (i.e. developed economies).

This work will serve to highlight the importance of having a sustainable housing market for competitiveness. It will also allow the NCC to comment further on areas of the housing market requiring further policy action.

Next steps/
timeframe: January 2016 – June 2016. Report to 2 June NCC meeting. Publication in Bulletin or Statement thereafter.

Lead officials: A/Sec: Declan Hughes x2869; PO: Marie Bourke, X 2846

Item: **Ireland's Productivity Performance Review**

Summary: The OECD Country Report for Ireland 2015 recommended that Ireland develop a stronger whole-of-government productivity agenda and that the remit of the National Competitiveness Council (NCC) should be extended into a more productivity focussed body. The objectives of this DJEI work are to strengthen the focus on policies to raise productivity at sectoral level and investigating similar productivity benchmarks internationally with a view to identifying policies to enhance firm level productivity. The key outputs will be an outline of historic and current productivity trends by sector and identification of obstacles to productivity growth, and recommendations for enhancing firm level productivity. This work will include a benchmarking exercise with other small, advanced economies.

Next steps/
Timeframe: Feb – December. Paper to NCC meetings 15th September and 1st December

Lead officials: A/Sec: Declan Hughes x2869; PO: Marie Bourke, X 2846

Item: **Climate Change Policy & Enterprise Impacts**

Summary Climate change targets and policy have the potential to impose significant additional costs on the economy and the enterprise base and it is important that DJEI is engaged in relevant analysis and policy proposals so as to minimise the impact on our competitiveness for trade and investment. The focus in 2016 is on analysis of measures for meeting Ireland's 2020 and 2030 targets, international agreements, being co-ordinated through the D/Taoiseach. The Objectives of the work are to review, attend, provide briefs and analysis on EU 2030 Climate Change & Energy Framework Negotiations at:

- Cabinet Committees & Senior Officials Groups (SOGs), Interdepartmental (IDC) Working Group on EU Emissions Trading System D/Environment Community & Local Government (DELG) and IDC steering group on national climate change mitigation plan;
- Analysis with EPA & DECLG of impact of proposed free allocation regime on Irish industry;
- Assess submissions from enterprise to DECLG on the (Emissions Trading System) ETS and represent DJEI at ETS consultative committee;
- EU Competitiveness Council briefings and attendance as required and EU Working

Party on Competitiveness & Growth

The outputs will include data analysis on the impact on the Emission Trading sites of the EU proposed ETS Directive so that Ireland can establish its preferred negotiating position.

Next Steps/
Timeframe Analysis and policy advice to be provided throughout the year
Lead officials A/Sec: Declan Hughes x2869; PO: Marie Bourke X 2846

Item: **Annual Business Survey of Economic Impact (ABSEI) 2014 & 2015**

Summary This survey provides a measure of the performance of the development agencies (Enterprise Ireland, IDA Ireland and Udaras na Gaeltacht client base. The objective is to gather data on client companies sales, exports, R&D investment, training budgets and direct expenditure on the Irish economy through payroll costs and purchases of Irish materials and services. Result to be gathered by ownership, NACE code, size and region.
The outputs will be the ABSEI completed for 2014 and 2015 with time-series data and analytical report for Management Board and subsequent publication.

Next Steps/
Timeframe: April 2016 for 2014 Survey and December for 2015 Survey
Lead officials: A/Sec: Declan Hughes x2869; PO: Marie Bourke, x 2846

Item: **Annual Employment Survey 2015 & 2016**

Summary: The Annual Employment Survey is undertaken by SPD with IDA, EI and Udaras and provides a breakdown of employment in agency assisted companies by ownership, sector and region. It is undertaken on a consistent basis across the agencies and is the data used by the agencies in their end of year statements. The survey provides data on full-time and part-employment in EI, IDA and Udaras client companies.
In addition, Strategic Policy Division (SPD) is working with the ICT Unit to develop a new system for the timely delivery of replacement IT system for undertaking the Annual Employment Survey with an online interface for respondent client companies.

Next steps/
timeframe The final results for 2015 broken down by Irish-owned and Foreign-owned agency clients will be submitted to Management Board in April/early May. The 2016 outturn for IDA, EI and Udaras will be presented to Management Board in December 2016. The development of the new online system will commence this year with plans to complete it in 2017.

Lead officials A/Sec: Declan Hughes x2869; PO: Marie Bourke, Ext 2846

Item: **Higher Education R&D (HERD) Survey**

Summary: The purpose of the survey is to provide data on R&D statistics in the Higher Education Sector 2014/2015. R&D expenditure will be broken out by Institute, source of funds, type of costs, type of research and Field of Science (FoS) codes. R&D personnel will be broken out by Headcount and Full-time equivalent (FTE), Gender and Field of Science (FoS) codes.

Next steps/
timeframe: HERD Survey to be completed in Q3 with time-series data and analytical report for Management Board prior to publication.

Lead officials: A/Sec: Declan Hughes x2869; PO; Marie Bourke, 2846

Item: **State Investment in R&D 2015-2016 ('The Science Budget')**

Summary: This survey collects information about the research and development investment and activities from all Government Departments and their Agencies and is used in international comparison of Government appropriations for R&D (GBORD) and government expenditure on R&D (GovERD) metrics. This survey is carried out annually in compliance with Commission Regulations.

Next steps/
timeframe: The Science Budget report will be submitted to Management Board in Q4 and the final report will be published on DJEI website

Lead officials: A/Sec: Declan Hughes x2869; PO; Marie Bourke, 2846

Item: **Provision of official national data to CSO, Eurostat & OECD**

Summary: DJEI provides data from its survey data in compliance with National commitments for data under the above Commission Regulation to the CSO/OECD/ Eurostat Quarterly Data Transmissions. The data is provided through four quarterly R&D data transmissions provided to Eurostat (via the CSO) on time and to standard. Strategic Policy Division (SPD) also manages an Memorandum of Understanding (MOU) agreed between DJEI with the Central Statistics Office (CSO) on the sharing of data and the SPD Survey Unit is an external to CSO provider of official national statistics. As part of the MOU SPD arranges bi-annual meetings with the CSO to address issues on stats across DJEI and updates on our work as providers of official national statistics.

Next steps/
timeframe: CSO/OECD/ Eurostat Quarterly Data Transmissions. Bi-annual in 2016 with a meeting held on 27 January 2016 and next meeting in September.

Lead officials: A/Sec: Declan Hughes x2869; PO: Marie Bourke, 2846

Item: **Data Analysis - Ireland's Innovation performance and Enterprise Dashboard**

- Summary** The CSO produces an Innovation Survey for Ireland every two years, results of which will be available by Q3 2016. DJEI has a MoU with the CSO to obtain the detailed results of the CIS at plant level in anonymised format so that analysis can be undertaken to inform policy in this area. SPD will develop an analysis of Community Innovation Survey (CIS) 2012-14, subject to the necessary resource being secured to undertake the analysis.
- During 2015 SPD developed the cross-DJEI statistical compendia to monitor Departmental activities and assess the impact of DJEI actions and policies under a range of economic metrics.
- SPD is also engaged with the CSO on tracking agency employment from the Live Register.
- Next steps/ timeframe** Innovation Survey results will be available for CSO in June/July 2016 and an analytical report will be presented to the Management Board prior to publication. SPD will produce regular Dashboards on Enterprise Statistics during 2016 for the Management Boards and Ministerial Management Boards
- Lead officials** A/Sec: Declan Hughes x2869; PO: Marie Bourke

Exporting, Innovation and Productivity Research - Expanding and Diversifying Irish Manufactured Exports

- Summary** SPD is working with the ESRI to examine aspects of the export, innovation and productivity performance of Irish-owned firms. The work programme for the first half of 2016 is a study with EI on the role that expanding and diversifying exports play in sustainable economic growth examining the mix of export growth strategies successful enterprises use, the degree of concentration of Irish-owned enterprise exports and how dynamic are firms in changing the composition and destination of their exports. The research will provide a better understanding of patterns and trends in exporting amongst Irish owned firms and will be an input to the formulation of EI's new Strategy and of the new Trade and Investment Strategy.
- Next steps/ timeframe** An ESRI seminar on the draft findings was held early March and the report will be available in April.
- Lead officials** A/Sec: Declan Hughes x2869; POs: Marie Bourke & Maria Ginnity

Business Unit in the Division	Head of Unit (Principal Officer)
Research and Innovation	John Dooley

Item	Research Prioritisation Refresh - Technology Futures and Market-led Horizon Scan (with Innovation & Investment Division)
Summary	<p>Innovation 2020 commits to a new cycle of research prioritisation and a market led horizon scanning exercise will be undertaken in order to identify strategic areas of commercial opportunity in global markets for Irish-based enterprises as the basis for the next cycle due in 2018. The exercise will take into consideration, inter alia, recent and likely future advances in science and technology, as well as the dynamics of international markets and supply chains and policy developments. A new input into this exercise will be an assessment of technologies and applications that are or will be critical to Ireland's economic and social development and how they will evolve over a 20 year timeframe.</p> <p>The objective is to seek to future proofing our current and future additional investment in publicly funded R&D, if forthcoming, by ensuring that we remain at the forefront of technologies that are critical to our economic growth.</p>
Next steps	Agree scope with Inter-Departmental Innovation 2020 Implementation Group, the department and agency stakeholders.
Lead officials	A/Sec: Declan Hughes x2869; POs: John Dooley x 2858 Karen Hynes x 2870
Item	Research and Innovation Links between Ireland and the UK
Summary	The Irish and UK science and innovation systems are well linked both with each other and in collaborative initiatives at EU and broader international level. Specific initiatives have been taken over recent years to foster enhanced collaboration on an all-island basis in particular. It is timely to review the nature of these relationships and how they can be further strengthened or enhanced to promote broader enterprise growth and jobs. The review will examine existing levels of collaboration, research talent flows and researcher mobility, funding and performance of research and enterprise engagement and engagement on EU programmes such as Horizon 2020.
Next steps	Consultations underway and work to be complete by June 2016
Lead officials	A/Sec: Declan Hughes x2869; PO: John Dooley x 2858

3.7 Construction Contracts Adjudication Service Loughlin Quinn, Director

Item:

Commencement of the Construction Contracts Act, 2013.

Summary:

The provisions of Construction Contracts Act, 2013 will apply to construction contracts from the 25th July 2016.

The purpose of the Construction Contracts Act, 2013 is to regulate payments under construction contracts covered by the legislation. It will therefore, inter alia, provide new payment protections for sub-contractors in the construction industry who have been considered vulnerable in the payment cycle in that industry. The Act will ensure payment by means of two elements:

- (1) new statutory arrangements for payments under construction contracts. Main contractors are at liberty to agree their own terms with their clients, however main contractor/subcontractor and subcontractor/sub-subcontractor contracts are governed by the Schedule to the Act which requires payment every 30 days within 30 days (unless such contracts contain more favourable terms); and
- (2) a new mechanism for the swift resolution of payment disputes through adjudication. This is intended to provide a route to achieve swift redress in the event of non-payment.

The Act does not apply to a construction contract if:

- (i) the value of the contract does not exceed €10,000; or
- (ii) it is a contract for a dwelling which has a floor area not greater than 200 square metres that is occupied or it is intended to be occupied by a party to the contract as his or her residence.

The Government, in October 2014, approved the transfer of responsibility for implementation of the Act to the Department of Jobs, Enterprise and Innovation from the Department of Public Expenditure and Reform. Responsibility for the implementation of the Act was assigned to Mr. Gerald Nash T.D, the Minister of State for Business and Employment, in November 2014.

Minister Nash appointed Dr. Nael G. Bunni as Chairperson of the Construction Contracts Adjudication Panel and he has appointed 30 adjudicators to that Panel following a competition run by the Public Appointments Service.

Next steps/
timeframe

Minister Nash signed a Statutory Instrument (Appointed Day) Order for the Construction Contracts Act, 2013 which will apply the provisions of the legislation to construction contracts covered by the Act from the 25th July 2016.

The Act requires the publication of a Code of Practice governing the conduct of adjudications which will be binding on all adjudicators operating under the Act. Minister Nash issued a revised draft of the Code of Practice to stakeholder organisations on the 19 February, following consultations with the Office of the Attorney General. The Code of Practice will be presented to the Minister for signature and publication as soon as possible.

A public information campaign will be undertaken using print media to highlight the new legal rights and obligations in relation to payment arrangements under a construction contract covered by the Act and the availability of statutory adjudication to resolve

payment disputes.

Lead official: Loughlin Quinn, Director. Ext: 2615.

Section Four ~ The EU Agenda

Introduction

The Department has a broad and extensive EU agenda, directly encompassing three of the nine formations of the Council of Ministers – Competitiveness (COMPET), Trade (dealt with by the Foreign Affairs Council), and Employment, Social Policy, Health and Consumer Affairs (EPSCO).

The Department's interests can also be featured in items dealt with by other sectoral Councils, for example the Environment Council.

Similarly, the work of the Department spans across the portfolios of a range of European Commissioners and Directorates General of the Commission.

A list of the dates of upcoming Council of Ministers meetings is included in the Diary section of the Brief, at Section 1.6 above. The Competitiveness Council is, on most occasions, held over two days, with the first day devoted to Industry and Internal Market issues, and the second day dealing with Research matters. Attendance at the Competitiveness Council (Industry and Internal Market day) and the Trade Council is normally by the senior Minister in the Department, while the Research day of the Competitiveness Council has been attended by the Minister of State for Skills, Research, and Innovation. Ministerial attendance at the EPSCO Council has been led at recent Councils by the Tánaiste and Minister for Social Protection, with attendance on some occasions by the Minister of State for Business and Employment.

The six-month rotating Presidency of the Council is currently held by the Netherlands (until end June of this year), and will be held by Slovakia for the second half of 2016.

Summary

Upcoming EU Presidencies

- 2016: Netherlands and Slovakia
- 2017: Malta and United Kingdom
- 2018: Estonia and Bulgaria
- 2019: Austria and Romania

Current significant EU issues of Departmental interest

- Europe 2020 Strategy – coordinated by D Taoiseach
- EU –UK Negotiations / UK Referendum
- Digital Single Market
- Single Market Strategy
- Better regulation and administrative burden agenda

Netherlands Presidency – First half of 2016

Key issues include:

- Further strengthening and streamlining of the European Semester
- Ambitious implementation of the Services Directive
- Ongoing monitoring of EU Competitiveness and mainstreaming of the competitiveness agenda into all EU policy making

- The Single Market Strategy
- The Digital Single Market Strategy
- The Better Regulation Agenda & REFIT

European Council

- Next meeting 28/29 June
- Department of Taoiseach takes the lead, DJEI inputs as required.
- Key issues for the Council include, Migration, European Semester, Jobs, Growth & Competitiveness

Council of Ministers Meetings

Council formations of Departmental interest

Of the nine current EU Council of Ministers formations, this Department has a key role in 3 Councils, the Competitiveness Council, the Trade Council, and the Employment Social Policy Health and Consumer Affairs (ESPCO) Council.

Ministers and Ministers of State act as "Head of Delegation" at formal meetings of these Councils in Brussels, and occasionally Luxembourg, and at informal meetings in the country holding the EU Presidency. The Competitiveness and ESPCO Councils meet in formal session twice during each Presidency and once each in informal session in the country of the Presidency. The Competitiveness Council is normally subdivided into two sessions with day one of the meeting dealing with Industry and Internal Market issues and day two of the meeting, currently serviced by the Minister of State with responsibility for Skills, Research and Innovation, dealing with Research issues and the Space Council. The Trade Council meets in formal session during every Presidency and there is also one informal Trade Council held in the country of the Presidency. Responsibility for Ministerial attendance at EPSCO from DJEI has fallen primarily on the Minister of State for Business and Employment since his appointment in July 2014. EPSCO Council issues also include the Department of Social Protection, the Department of Education and Skills and the Department of Justice and Equality.

Dates of the next formal and informal Council are set out in the provisional diary at Section 1.6 above.

Engagement with the European Parliament

The current European Parliament (EP), which is presided over by Martin Schulz (Progressive Alliance of Socialists & Democrats (S&D)), was elected in July 2014. Mr Schulz's term of office as President is due to finish at the end of 2016, mid-way through the current Parliamentary term.

In 2014/2015, the Department of an Taoiseach coordinated a roster for Ministerial visits to European Parliament plenary sessions in Strasbourg. It is anticipated that a similar programme of meetings with relevant EP Committee Chairs, rapporteurs, Irish MEPs etc. will be arranged for Ministers over the coming months.

The following are the EP Committees most relevant to the remit of the Department:

- IMCO - Internal Market and Consumer Protection- Chair: Vicky Forde, European Conservatives & Reformists (ECR) - UK
- ITRE Committee - Industry, Research & Energy- Chair: Jerzy Buzek, European Peoples Party (EPP) - PI
- INTA Committee - International Trade - Chair: Bernd Lange, Progressive Alliance of Socialists & Democrats (S&D) - DE

Ireland had a strong engagement in the preparatory process leading up to the adoption of the Strategy. Department officials met with DG GROW of the European Commission in Brussels in July to discuss areas which Ireland would like to see addressed in the Strategy. Minister Bruton wrote to Commissioner Bienkowska in August 2015 to outline Ireland's priorities for the Strategy. Minister Bruton also signed a like-minded letter dated 25 September 2015, drafted by the UK, (signed by 17 Member States in total) to Vice President Katainen and Commissioner Bienkowska on the Single Market Strategy. A number of the areas which Ireland had suggested as priorities have now been addressed in the context of specific actions included in the Strategy. On 29 October 2015, the day following its adoption, Minister English discussed the Strategy at a meeting with Commissioner Bienkowska in Dublin.

The Strategy comprises a series of targeted actions, to be progressed over the period from 2016 to 2018, including:

- The introduction of a services passport, as part of a focus on professional services and regulated professions.
- An initiative to address restrictions in the retail sector, where the Commission undertakes to set out best practices for facilitating retail establishment and reducing operational restrictions across the Single Market.
- Measures to address unjustified different treatment of customers on the basis of residence or nationality.
- Actions to help SMEs and start-ups to grow, including to simplify the VAT requirements for SMEs, to encourage SMEs to expand cross-border, to ease access to finance for SMEs, and initiatives to reform business insolvency and company law.
- An initiative to modernise the intellectual property framework, including measures to support the use of intellectual property by SMEs (see more detailed briefing below)
- A commitment by the Commission to provide guidance on how existing EU law applies to the collaborative economy business models.
- The use by the Commission of a smart enforcement strategy, including sectoral strategies, the introduction of a "market information tool" to gather information from selected market players, and a proposal to strengthen the existing Single Market problem-solving tools such as SOLVIT (this is an informal problem-solving system)
- A proposed initiative on standardisation.

Better Regulation

- On 19th May 2015, the European Commission adopted a "Better Regulation Package", consisting of nine documents, including two policy Communications.
- The Communication on "Better Regulation for Better Results - An EU agenda" outlines the Commission approach to better regulation as a delivery tool for EU political priorities. It commits the Commission to strengthen the openness and transparency of its work, notably through reinforced stakeholder consultations. It sets out the better regulation tools that the Commission will use, including the new integrated Better Regulation Guidelines. It also outlines how the Commission will strengthen the REFIT Programme. The second Communication is the Commission's proposal for a new Inter-institutional Agreement (IIA) on Better Regulation. The accompanying documents of the Better Regulation Agenda are internal to the Commission, but have a direct link to the two Communications.
- In December 2014, the Competitiveness Council agreed Conclusions calling on the Commission to make advances in several areas, and the current Package responds very positively to this in almost all respects. In particular, the Commission have brought together all of their internal Guidelines on how to carry out Impact Assessments, Consultation and Ex-post Evaluation (REFIT) into a single Toolkit, for the use of all Directorates General across the Commission.

two opposing groups actively lobbied the Commission on the targeted review at Ministerial level, one group seeking to open the original PWD to a more fundamental review, the other totally opposed to the targeted review. Ireland, together with the UK, Spain, Portugal and others, who previously have all been loosely aligned to the Polish-led group, declined to sign up to a joint letter to the Commission at Ministerial level for various reasons. For Ireland, it went beyond what we could support and lacked the necessary balance in terms of the protection of workers' rights.

Commission proposal for a Revision of the Posted Workers Directive, March 2016

The stated aim of the proposal is to facilitate the cross-border provision of services through posting of workers by improving the clarity and transparency of applicable labour market rules in the host Member State(s) of posted workers; to ensure a level playing field for competition in the provision of services between posting companies and local companies in the host Member State, while ensuring that posted workers have an adequate level of protection while working in the host Member State.

From the Commission's perspective, equal rules on remuneration will contribute to increase the wages earned by posted workers, reduce pay differentials with local workers, and establish a level playing field between companies in the host countries. While this will reduce somewhat the competitive advantage of service providers from low wage economies the Commission view is that by reducing the scope of labour cost competition, posting of workers will foster the provision of cross-border services based on specialisation, innovation and skills rather than competing solely on wage levels.

The proposal seeks to make changes to the original Directive in the following areas; applicability of collective agreements, rules on remuneration of posted workers, including in situations of sub-contracting, the duration of posting and rules on temporary agency workers.

Implications for Ireland

The European Commission estimates that in 2014 there were over 1.92 million posted workers in Europe. However, the numbers sent to and from Ireland are relatively low. The Commission estimates that there were around 5,500 postings to Ireland and 3,500 postings from Ireland in 2013. The posting of workers is a more significant issue for those Member States who are the biggest receivers and/or senders of posted workers and for those Member States with lower labour market costs.

Ireland is currently examining the proposal and the Commission's Impact Assessment. We are consulting with social partner and business interests in the normal way to ascertain their views on the proposal.

Our policy position in relation to posted workers has always been an issue of striking a balance between the protection of posted workers and avoiding a race to the bottom on wages or other minimum standards on the one hand and ensuring that those very desirable goals are not used to undermine the proper functioning of the internal market. The posting of workers should be for legitimate internal market purposes and not be used as a means of undermining agreed rates of pay in Ireland or in other Member States. Our approach on the current proposal will be to consider objectively the individual elements of the proposal.

It is clear from the initial discussions in the Social Questions Working Party (SQWP) in Brussels that the full implications of the individual components of the proposal are not as yet clear to Member States and it will be necessary for the SQWP to consider and examine the proposal in detail before its implications are fully understood. So, for example, it is not yet clear how the principle of equal pay for equal work in the same place, one of the core stated objectives of the proposal, would be applied in practice in all circumstances and whether the relevant provisions of the proposal as drafted will strike the appropriate balance from Ireland's perspective.

European Pillar of Social Rights

Following on from the European Commission's first orientation debate on a European Pillar on Social Rights on 27 January, the Commission is preparing a consultation document. The 2016 Commission Work Programme states "The development of a European pillar of social rights will contribute to [further enhancing the emphasis on Member States' employment and social performance, and promoting convergence]. The Commission will pursue two complementary work strands: firstly, modernising and addressing the gaps in existing social policy legislation to take account of today's work environment and to ensure that new models of work maintain a fair balance in the relationship between employers and workers; and secondly, identifying social benchmarks, notably as concerns the flexicurity concept, built on best practices in the Member States with a view to upwards convergence, in particular in the euro area, as regards the functioning of the labour market, skills and social protection." The Labour Market and EU EPSCO Coordination Unit will undertake a scoping exercise, working with the relevant DJEI sections and other Departments to gain a national perspective on the proposals most likely to emerge in a European Pillar of Social Rights and to be in a position to respond to the Commission's Spring consultation.

SECTION FIVE ~ OFFICES AND AGENCIES OF THE DEPARTMENT

Introduction

The Department currently funds and staffs 5 Offices. In addition, it funds 9 Agencies and 31 Local Enterprise Boards. The Offices of the Department are staffed by civil servants, who are employees of the Department. These staff are subject to the same values, standards and behaviours for Civil Servants which apply to other employees of the Department.

Each of these Agencies is established under primary legislation, which sets out the functions of the Agency. Responsibility for the delivery on the mandate and functions of an Agency rests, in the first instance, with its Board and the Chairman of its Board.

Liaison arrangements and oversight

The Secretary General, as Accounting Officer, ensures that the appropriate monitoring systems and procedures are in place for oversight of the Bodies under the aegis of the Department and the Offices of the Department and this is carried out through Liaison Units which are assigned responsibility in respect of individual Offices and Agencies.

Memoranda of Understanding (MoU) and Service Level Agreements (SLAs)

The Department and each Office agrees, on an annual basis, a Memorandum of Understanding (MOU) which acts as a performance contract between the Department and the Office. These MOUs, which are jointly signed off by the Secretary General of the Department and the Head of each Office, set out agreed levels of performance / service in respect of the Body for the relevant year. These also allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators including milestones to measure performance against targets.

The Department and each Agency agrees, on an annual basis, a Service level Agreement (SLA) which acts as a performance contract between the Department and the Office. These SLAs, which are jointly signed off by the Secretary General of the Department and the Head of each Agency, set out agreed levels of performance/service in respect of the Body for the relevant year. These also allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators including milestones to measure performance against targets.

OFFICES

The Department includes 5 discrete Offices as part of its integral structure and a short description of each is set out below:

Labour Court

Chairman: Kevin Duffy

The Labour Court provides a free, comprehensive service for the resolution of industrial relations disputes and deals also with matters arising under employment rights legislation (Employment Equality, Pensions, Organisation of Working Time, National Minimum Wage, Industrial Relations (Amendment), Protection of Employees (Part-Time Work), Protection of Employees (Fixed-Term Work) and Safety, Health and Welfare at Work Acts).

The Court's functions can be divided between those relating to industrial relations matters and those relating to the determination of appeals in matters of employment rights. With the enactment of the Workplace Relations Act 2015 the Labour Court now has sole appellate jurisdiction in all disputes arising under employment rights enactments.

The main functions of the Court are:

- to investigate trade disputes and make recommendations for their settlement;
- to make determinations on appeals of Adjudication Officers recommendations/decisions under the Industrial Relations Acts ;
- to establish Joint Labour Committees, consider and adopt proposals, as appropriate, and forward to the Minister for consideration with a view to the making of Employment Regulation Orders;
- to register employment agreements and examine the terms and conditions of employment in a sector pursuant to Section 14 of the Industrial Relations (Amendment) Act 2015 and make recommendations to the Minister on the terms and conditions to be included in Sectoral Employment Orders;
- to hear all appeals of Adjudication Officer's decisions under various Employment Rights and Pensions Acts.

The Labour Court is not a court of law. It operates as an industrial relations tribunal, hearing both sides in trade disputes and then issuing recommendations, setting out its opinion on the dispute and the terms on which it should be settled. While these recommendations are not binding on the parties concerned, the parties are expected to give serious consideration to the Court's recommendation. Ultimately, however, responsibility for the settlement of a dispute rests with the parties.

The Court's determinations under employment rights legislation are legally binding.

Labour Court Gross Allocation as per REV and associated staffing numbers	
	2016 REV
Gross Current Allocation	€2.691m
Staffing Numbers	28.5 FTE

Workplace Relations Commission (WRC)

Chief Executive: Kieran Mulvey

The Workplace Relations Commission (WRC) was established in 2015 to deliver a modern, user-friendly and world-class workplace relations system in Ireland. All the functions of the Labour Relations Commission (including the Rights Commissioner service), the Equality Tribunal, the National Employment Rights Authority (NERA) and the first instance functions of the Employment Appeals Tribunal and the Labour Court were brought together under the remit of a new statutory body called the Workplace Relations Commission with the commencement of the Workplace Relations Act 2015 on the 1st of October 2015.

The Commission activities are primarily concerned both with facilitating and assisting workplace change and creating an environment of equity and fairness in employment. The Commission has a broad range of functions including industrial relations advisory and conciliation services and the resolution of industrial relations disputes of interest between employers and workers across the public and private sectors. It provides a comprehensive early resolution, mediation and adjudication services in relation to the full spectrum of employment rights and equality cases. It carries out workplace

inspections to ensure the employment rights of workers and responsibilities of employers are respected and it has an enforcement function in relation to breaches of employment legislation.

In particular the WRC has responsibility for:

- promoting and encouraging compliance with legislation relating to the employment of persons;
- providing a first-instance adjudication service in relation to entitlements of employees under relevant legislation;
- providing a first instance adjudication service in relation to claims of discrimination under the Equal Status Acts;
- providing an employment rights compliance and enforcement service;
- providing information on, and enhancing awareness of, workplace relations legislation and services;
- prosecuting summary offences under employment law;
- providing a workplace Conciliation and Mediation service
- preparing codes of practice for bettering workplace relations,
- offering guidance on such codes of practice and help to resolve disputes concerning their implementation;
- reviewing and monitoring developments in the area of workplace relations;
- building on the Minister's Workplace Relations Reform Programme;
- conducting or commissioning research into matters relevant to workplace relations;
- administering the licensing of young persons and employment agencies

WRC Gross Allocation as per REV and associated staffing numbers	
	2016 REV
Gross Current Allocation	€12,570m
Staff Numbers	173.5 FTE

Employment Appeals Tribunal (EAT)

Chairman: Kate O'Mahony

The Employment Appeals Tribunal, as part of the Workplace Reform programme is being wound down. The functions of the EAT were transferred to the WRC in October 2015 and the body is now only dealing with legacy cases. The legacy cases the Tribunal is determining matters on relate to disputes arising from the legislation on redundancy and insolvency payments; minimum notice; terms of employment; maternity and adoptive leave; unfair dismissals; part-time employment; young person's employment; payment of wages; organisation of working time; parental leave and protections for persons reporting child abuse. At the end of 2015 the EAT had 2720 legacy cases on hand. It is expected that the backlog of legacy cases will be cleared by early 2017.

EAT Gross Allocation as per REV and associated staffing numbers	
	2016 REV
Gross Current Allocation	€2,876m
Staff Numbers	27.65 FTE

Office of the Director of Corporate Enforcement

Director: Ian Drennan

The mission of the Office of the Director of Corporate Enforcement (ODCE) is to improve the compliance environment for corporate activity in the Irish economy by encouraging adherence to the requirements of the Companies Acts and bringing to account those who disregard the law.

ODCE Gross Allocation as per REV and associated staffing numbers			
	2015 REV	2016 REV	Difference
Gross Current Allocation	5,091m	5,015m	-76
Staff Numbers	49.1	49.1	0

Numbers serving at December 2015: 30.7 excluding 6 Gardai seconded from the Department of Justice.

Patents Office

Controller: Gerard Barrett

The Patents Office was established under the Industrial and Commercial Property (Protection) Act 1927. It is an independent statutory office under the control of the Controller of Patents, Designs and Trade Marks and is responsible for the grant and registration of intellectual property rights in Ireland, specifically patent, trade mark and industrial design rights. The Controller also has certain statutory functions under the Copyright and Related Rights Act, 2000, which are mainly concerned with the registration of copyright licensing bodies, references and applications relating to licensing schemes operated by those bodies and the resolution of disputes regarding royalties payable under those schemes. The Patents Office provides input to the Intellectual Property Unit of the Department in the drafting of certain legislation and in the formulation/implementation of policy in relation to the development of the system of intellectual property protection.

Patents Office			
	2013	2014	2015
Net Receipts	€8,3m	€8,2M	€8,.6M
Expenses	€2,71m	€2,7M	€2,5M
Staff Numbers (FTE)	42.1	42.1	39

Companies Registration Office (CRO)

Registrar: Maureen O'Sullivan

The CRO is the authority for the incorporation of new companies and registration of business names in the Republic of Ireland. The Office is also responsible for the receipt and registration of post incorporation documents, enforcement of the filing requirements of companies, and provision of information to the public.

Registry of Friendly Societies

Registrar: Maureen O'Sullivan

The Registry of Friendly Societies is a statutory independent office responsible for the registration and general regulation of friendly societies, trade unions and industrial and provident societies (co-operatives). This Office is de facto part of the CRO.

CRO & RFS Gross Allocation as per REV and associated staff numbers			
	2015 REV	2016 REV	Difference
Gross Current Allocation	€7,425m	€7,328m	-107k
Staff Numbers	99	103	+4

Numbers serving at December 2015: 107 (includes 8 temporary COs)

Low Pay Commission

Chairman: Donal de Buitléir

The Low Pay Commission was established in July 2015 through the National Minimum Wage (Low Pay Commission) Act, 2015. Its remit is to make recommendations regarding the national minimum hourly rate of pay, ensuring that all decisions are evidence based, fair and sustainable, and do not create significant adverse consequences for employment or competitiveness.

The duties of the Commission are to “... make recommendations to the Minister regarding the national minimum hourly rate of pay that

- (a) is designed to assist as many low paid workers as is reasonably practicable,
 - (b) is set at a rate that is both fair and sustainable,
 - (c) where adjustment is appropriate, is adjusted incrementally, and
 - (d) over time, is progressively increased,
- without creating significant adverse consequences for employment or competitiveness.”

LPC Gross Allocation as per REV and associated staffing numbers	
	2016 REV
Gross Current Allocation	€0.474m
Staff Numbers	3

AGENCIES

The Department is assisted in the delivery of its programmes by the following Agencies:

IDA Ireland

CEO: Martin D. Shanahan

IDA Ireland is Ireland's statutory inward investment promotion agency and attracts and supports Foreign Direct Investment into Ireland through a wide range of services. IDA Ireland partners with potential and existing investors to help them establish or expand their operations in Ireland, leading to significant job creation and expenditure in the economy. IDA Ireland supports investment throughout all regions of Ireland, including through the provision of strategic property solutions.

Gross Allocation as per REV and associated numbers			
	REV 2008	REV 2016	Difference
Current	45,230	41,680	-3,550
Capital	98,520	122,000 ¹⁴	23,480
Total Gross Allocation	143,750	163,680	19,930
Staff Numbers	282	272	-10

¹⁴ Includes capital carryover 10,000

Science Foundation Ireland (SFI)

Director General (and Chief Scientific Adviser to the Government): Professor Mark Ferguson

The Industrial Development (Science Foundation Ireland) Act 2003 established Science Foundation Ireland as a separate statutory agency as part of the Forfás group of industrial development agencies. The overall mission of SFI is to build and strengthen scientific engineering research and its infrastructure in the areas of greatest strategic value and benefit to Ireland's long-term competitiveness and development and of benefit to its economy and society, i.e. research in Biotechnology (BioT) and Information and Communication Technology (ICT). Through strategic investments in the people, ideas and partnerships essential to outstanding research in strategic areas, SFI will help build in Ireland research of globally recognised excellence and nationally significant importance.

SFI Gross Allocation as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	€9,230	€9,662	432
Capital	€157,000	€157,000	0
Total Gross Allocation	€166,230	€166,662	432
Staff Numbers	49	*49	

*ECF (Employment Control Framework) no longer exists but staff numbers at February 2016 is 49.

Health & Safety Authority (HSA)

CEO: Martin O'Halloran

The principal functions of the Health and Safety Authority are to monitor and enforce compliance with occupational health and safety law, to provide information and expert advice to employers, employees and the self-employed, to promote workplace safety, health, welfare, education and training, to publish research on workplace hazards and risks and to propose new regulations and Codes of Practice to the Minister for Jobs, Enterprise and Innovation. The Authority is also responsible for the administration and enforcement of more broadly based chemicals legislation, including REACH, CLP and Seveso. Since 2014, the Authority incorporates the Irish National Accreditation Board (INAB), which has responsibility for the accreditation of laboratories, certification bodies and inspection bodies.

Health & Safety Authority Gross Allocation as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	€17,967,000	€17,544,000	-€432,000
Capital	-	-	
Total Gross Allocation	€17,967,000	€17,544,000	-€432,000
Staff Numbers	166.2 WTE	165.3 WTE	-.9 WTE

National Standards Authority of Ireland

CEO: Maurice Buckley

Authority of Ireland Act, 1996, to manage the policy instruments of Standards, Metrology and Conformity Assessment.

The NSAI represents Irish interests in European and International Organisations that work towards technical harmonisation and removal of technical barriers to trade. The NSAI is notified as the National Standards body for Ireland under EU Regulation No. 1025/2012 on European Standardisation.

The NSAI ensures consumer confidence and protects Irish industry interests e.g. Motor Vehicles, Medical Devices, through setting Standards and issuing Certification in the quality and safety of goods and services. Apart from its Standards work, the NSAI provides knowledge-based services and technical support to Government, consumers and industry, through the independent Certification of products, processes and services; Certification specific to the Construction industry, known as 'Agrément'; regulatory control in the area of Metrology; and the maintenance and development of national Measurement Standards.

Gross Allocation as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	5,576,000	5,737,000	+161,000
Capital	500,000	500,000	0
Total Gross Allocation	6,076,000	6,237,000	+161,000
Staff Numbers	134	133.6	0

Difference in Current reflects the pension requirements sought by NSAI for 2016.

133.6 is the staff number projected by NSAI to March 2016. Under the Staff Management Resources Framework introduced in 2015, agencies must stay within their Pay allocation rather than within a given Authorised Number.

Enterprise Ireland (EI)

CEO: Julie Sinnamon

Enterprise Ireland (EI), which was established in July 1998, has responsibility for helping to grow the sales, exports and employment of Irish companies. Enterprise Ireland brings together the key marketing, technology, enterprise development, business training and science and innovation initiatives through which the Government supports the growth of Irish industry. It combines the resources of the former Irish Trade Board, Forbairt and the in-company training division of FÁS.

EI Admin. and Support to Industry - Subhead A7			
EI Gross Allocation as per REV and associated numbers			
	REV 2015	REV 2016	Difference
Current	73,379	69,511	-3,868
Capital	55,205	61,505	+6,300
Total Gross Allocation	128,584	131,016	+2,432
Staff Numbers	597	597	

EI Research, Development and Innovation – Subhead B4			
EI Gross Allocation as per REV and associated numbers			
	REV 2015	REV 2016	Difference
Current	4,318m	4,138m	Nil
Capital	119,43m	117,6m	1.83m
Total Gross Allocation	123,568m	121,738m	1,83m
Staff Numbers	597	597	

Local Enterprise Offices

The 31 Local Enterprise Offices (LEOs) were established and open for business on 15th April 2014 following the dissolution of the County and City Enterprise Boards (CEBs) on the same day. They are offices of the Local Authorities and legal responsibility for the LEOs lies with Enterprise Ireland. The reformed structure provides a service which amalgamates national enterprise policy and local business supports in order to strengthen the local business culture and environment. The LEO structure combines the expert knowledge of the former CEBs, the Business Development expertise of the Local Authorities, overseen by a dedicated National Centre of Excellence in Enterprise Ireland which will ensure that 'best-practice' will prevail across the LEO network.

The LEOs are about promoting entrepreneurship and self-help and are now the "first-stop-shop" for those beginning a new business as well as those wishing to expand their existing one. In accordance with the Service Level Agreement (SLA) between Enterprise Ireland and each Local Authority, the LEOs provide services under four headings:

- Business Information and Advisory Services;
- Enterprise Support Services;
- Entrepreneurship Support Services, and
- Local Enterprise Development Services.

Gross Allocation as per REV and associated numbers: EI - Local Enterprise Development – Subhead A8 ¹⁵			
	REV 2015	REV 2016	Difference
Current	€10.954m	€10.431m	€0.523m
Capital	€18.500m	€18.500m	Nil
Total Gross Allocation	€29.454m	€28.931m	€0.523m
Staff Numbers	N/A	N/A	N/A

* At the time of dissolution, all County and City Enterprise Board (CEB) staff were given the option to choose either Enterprise Ireland or their Local Authority as their employer, although anyone who chose EI was seconded to the LA to work in the LEO. The pay allocation for the LEO Heads of Enterprise and the former CEB staff who are still working in the LEOs is currently delivered via the Department's Vote. However, the LEO staff are subject to LA terms and conditions, while recruitment is a matter for the LAs / Department of the Environment, Community and Local Government.

Design and Crafts Council of Ireland

The Design and Crafts Council of Ireland (DCCoI) is a registered private company limited by guarantee that promotes craft and design activities in Ireland.

DCCoI managed the very successful Year of Irish Design 2015 that promoted the significance of design to a national audience, promoted the quality (and exports) of Irish design internationally and ran a number of initiatives to improve collaboration between the design sector, the third-level sector and the business sector.

From this Department's perspective design is seen as an intrinsic part of the innovation agenda and the wider enterprise development agenda¹⁶, and critical to particular emerging and growth sectors

¹⁵ The LEOs, while operating as units of a Local Authority, are part funded by the Department through Enterprise Ireland. The expenditure, via Subhead A.8, is managed in conformity with the public expenditure guidelines as for all other EI expenditures. The performance of the LEOs, including agreed metrics, is governed by a Service Level Agreement between EI and the Local Authorities

¹⁶ Design is referenced in the new Science technology and Innovation Strategy to 2020 and in Enterprise Policy 2025

including medical devices, professional services, digital/media/gaming and the wider creative sectors, as well as to business production and service systems more generally.

To that end a number of actions on Design are included in APJ 2016, including better collaboration among the key players in the sector, better collaboration among regional design entities, potential clustering initiatives, assessment of the skills requirements for the sector, further promotion of design to the small business sector, the potential to access EU funding and continued promotion of Irish design capabilities and export sales internationally through EI trade missions and the work of the Embassy Network.

DCCoI receives funding through EI (Subhead A.7) for the purpose of promoting crafts and design initiatives in Ireland. The Budget is approved by the EI Board. The spending is governed by a Service Level Agreement between the two parties providing for the required supporting documentation and review of agreed performance metrics. There is a total of 12 members on the Board and 4 of those are appointed by the Minister including the Chair and an official from Enterprise Ireland.

Competition and Consumer Protection Commission (CCPC)

Chairperson: Isolde Goggin

The Competition and Consumer Protection Commission (CCPC) was formed through the amalgamation of the Competition Authority (TCA) and the National Consumer Agency (NCA) on the 31st October 2014. It is the statutory body responsible for enforcing consumer protection and competition law in Ireland and its mission is to make markets work better for consumers and businesses.

Gross Allocation as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	12,230	12,141	-89
	-	-	-
Total Gross Allocation	12,230	12,141	-89
Staff Numbers	106	106	

Numbers serving at March 2016: 86

Personal Injuries Assessment Board

CEO: Conor O'Brien

The Personal Injuries Assessment Board (PIAB) is an independent statutory Body which assesses the amount of compensation due to a person who has suffered a personal injury.

PIAB Gross Allocation* as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	55k	224k	169k
Capital	-	-	-
Total Gross Allocation	55k	224k	169k
Staff Numbers	67	80	+13

Nos serving at February 2016: 78

** Following initial Exchequer start-up funding, PIAB has successfully operated as a self-funding State Agency for a number of years. It relies on income generated primarily from respondents to fund its day-*

to-day activities, and its services are thus delivered at no direct cost to the Exchequer. C.09 (previously C13) subhead (current expenditure) was established in 2010 for the payment of PIAB pensions. PIAB makes superannuation remittances to the Department of Jobs, Enterprise and Innovation through appropriations in aid (remitted to the Department of Public Expenditure and Reform) were €1.18m in 2015.

Irish Auditing & Accounting Supervisory Authority

CEO (interim): Michael Kavanagh

The Irish Auditing & Accounting Supervisory Authority (IAASA) was established pursuant to the provisions of Part 2 of the Companies (Auditing and Accounting) Act, 2003, and has four principle objectives: (1) to supervise how the prescribed accountancy bodies regulate and monitor their members; (2) to promote adherence to high professional standards in the auditing and accountancy profession; (3) examination and enforcement of certain listed entities periodic financial reporting and (4) to act as a specialist source of advice to the Minister on auditing and accounting matters. The additional functions conferred on IAASA since its establishment are:

- Registration of third country auditors
- Supervision of the qualifications of liquidators

Later this year IAASA will be conferred with the function of the quality assurance of auditors of public interest entities and will be designated as the competent authority with responsibility for oversight of auditors under the new EU reforms.

IAASA Gross Allocation as per REV and associated numbers			
	2015 REV	2016 REV	Difference
Current	2,000	2,395	395
Capital	141	387	246
Total Gross Allocation	1,859	2,008	149
Staff Numbers	26	26	0

Nos serving at December 2015: 18

InterTrade Ireland

CEO: Thomas Hunter McGowan

InterTrade Ireland is the trade and business development body tasked with promoting North-South trade that was established after the Good Friday Agreement in 1998. The body manages a range of programmes to assist SMEs in a cross border context and promotes trade and business links generally between the Republic of Ireland and Northern Ireland. It is funded on a 2:1 basis by this department and its counterpart department in N.I.

ITI Gross Allocation as per REV (excludes the N.I. contribution) and associated numbers			
	2015 REV	2016 REV	Difference
Current	2,968	1,935	-1,033
Capital	7,714	5,530	-2,184
Total Gross Allocation	6,076m	6,237m	-3,217
Staff Numbers	42	39.5	-2.5

Board of the Agencies

Board Appointments

The process for appointments to State Boards was reformed by Government in late 2014 and the Personnel Officer, through the State Agencies and Pensions Unit, serves as the Department's State Boards Liaison Officer for engaging with the Public Appointments Service (PAS) on the advertising and assessment processes after which lists of potential candidates are made available to the Minister to facilitate his/her making Board appointments.

This Department is represented on the Boards of its Agencies as follows:

Agency	Department Representative
Enterprise Ireland	Clare Dunne, Assistant Secretary, Indigenous Enterprise Division
IDA Ireland	John Murphy, Secretary General
Science Foundation Ireland	Dermot Mulligan, Assistant Secretary, Innovation & Investment Division
National Standards Authority of Ireland	Eugene Forde, Principal Officer, Indigenous Enterprise Division
Health & Safety Authority	Paul Cullen, Principal Officer, Labour Affairs Division
Personal Injuries Assessment Board	Breda Power, Assistant Secretary, Commerce, Consumers & Competition Division
Irish Auditing & Accounting Supervisory Authority*	N/A
Intertrade Ireland*	N/A
Competition & Consumer Protection Commission **	N/A

* The Department is not currently represented on the Board of the Irish Auditing & Accounting Supervisory Authority or InterTrade Ireland.

** The Competition and Consumer Protection Commission does not have a Board. The Commission's members are appointed by the Minister following a competition conducted by the Public Appointments Service (PAS).

Section Six ~ Budget and Staffing

6.1 DEPARTMENTAL ESTIMATE – SUPPLEMENTARY INFORMATION TO SECTION 1.6

6.1.2 Capital Commitments

Given the multi-annual nature of the agency grant supports, typically 80% ~ 85% of an agency's in-year capital provision is required to meet existing business with associated capital commitments.

Enterprise Ireland, IDA Ireland and Science Foundation Ireland have complex funding programme operations and must carefully manage their future year grant commitments. A complication in this regard is that neither the Department, nor the Agency, will know what the future capital allocations will be until the next year's financial allocations have been finalised and approved by Government and the Minister for Public Expenditure & Reform through the annual estimates/budgetary process.

Agency capital commitments are managed at JEI Vote level in line with Department of Public Expenditure and Reform sanctioned threshold levels usually over a rolling 3 year period. Typically the DPER multi-annual capital commitments thresholds have been along the lines of:

- Year 1 @ 85% maximum
- Year 2 @ 65% maximum
- Year 3 @ 50% maximum

The Department awaits formal 2016 sanction from DPER for future capital commitments levels as it will be matter for the Minister for PER post formation of the new Government.

Therefore using the 2016 capital baseline of €503 million (i.e. without carryover of €10m) such a level of capital commitments for future years would most likely be set as follows:

- Year 1 (2017) 85% of the 2016 allocation of €503m = €427.55m
- Year 2 (2018) 65% of the 2016 allocation of €503m = €326.95m
- Year 3 (2019) 50% of the 2016 allocation of €503m = €251.50m

The indicative "headroom" for new capital grant business undertakings in a given financial year tends to be c. 15% of the agency's capital provision. Therefore it is not the case that the Department has c. €500m+ at its disposal each year to conduct new grant supported business.

Certain programmes, such as the SFI Research Centres programme, also involve private industry contributions. Typically 30% of the research centre award must be provided by industry partners involved.

The distribution of the €513m in JEI capital provision for 2016 is set out in the table below.

Capital Provisions 2016 v 2015 by Agency/Programme area

	2016	2015
Science Foundation Ireland	€157m	€157m (inc. €3m carryover)
IDA Ireland	€122m (inc €10m carryover)	€ 95m (inc. €5m carryover)
Enterprise Ireland – Subhead A7	€56m	€56m (incl €6m in carryover)
Enterprise Ireland – Subhead B4 (R&D)	€117.6m	€119.40m (incl €6m in carryover)

Local Enterprise Offices	€18.50m	€18.50m
Memberships of International Research Organisations (ESA, EMBL, EMBC, Eureka, COST)	€18.72m	€18.62m
Programme for Research in Third Level Institutions	€10.37m	€32.02m
InterTrade Ireland	€5.53m	€5.53m
Interreg	€2.77m	€3.00m
Tyndall National Institute	€3.50m	€2.90m
National Standards Authority of Ireland	€0.50m	€0.50m
Credit Guarantee Scheme	€0.50m	€0.50m
Total	€513m	€509m

*The 2015 figures does not include the €50m secured in the December Supplementary Estimate. Figures rounded to 2 decimal places.

6.1.2 Agency Own Resource Income

In addition to Exchequer funding, several of the Department's Agencies, most notably Enterprise Ireland, IDA Ireland, National Standards Authority of Ireland generate Own Resource Income (ORI) from a range of their activities. The retention of the ORI by the Agencies is subject to annual sanction from the Minister for Public Expenditure & Reform. Typically the quantum of annual ORI generated and retained for use by the agencies has been in the €90m ~ €110m range in recent years.

In the case of the Irish Auditing & Accounting Supervisory Authority (IAASA) and the Financial Information functions of the Competition & Consumer Protection Commission, some modest levels of funding is generated by means of a levy on the regulated industries.

In relation to the Personal Injuries Assessment Board (PIAB), it is a self-funding agency and relies on income generated primarily from respondents to fund its activities. Typically the annual PIAB cost of operations has been in the region of €12m.

Income received by the Department ("Appropriations-in-Aid")

A number of the Department's Offices, such as the CRO, Patents Office and Employment Permits area of the Department provide services to the public with a fee generation element. Unlike ORI, the Department does not get to retain and use A&As, these are returned to the Exchequer and "netted off" against the Exchequer gross allocation to the JEI Vote.

For example, the CRO charges companies to incorporate and to file certain statutory documents such as annual returns. In 2015 CRO generated an income of €17.7 million, some €700k higher than initially estimated. The 2014 level was €18.67 million. A major component of CRO income (€8.24 million in 2015, €10 million in 2014) is derived from penalties for late filing of annual returns. The CRO charges reduced or no fees where certain documents are filed online, in an effort to incentivise online filing. The quantum of fees received in any one year depends therefore on the compliance rate for filing annual returns on time and the levels of online filing.

The level of income generated from the issuing of Employment Permits is also determined by the prevailing labour market conditions. In 2015 there was a significant increase in the volume of employment permits issued with over €5.4m received in income. The 2014 level was €4.042m.

Last year the Patents Office received €9.7m from fees in respect of the registration of Patents and Trademarks last year. The 2014 level was €8.14m.

Typically the Department will generate in the region of €50m in A&As per annum from Offices fee generation and other sources, such as pension related deductions and the pension levy on staff. More details of the Department's budget and funding issues into the future are captured in Section 6.3 below of this briefing document.

6.2 JEI VOTE STRUCTURE, 2016 ESTIMATE AND BEYOND

Section 1.6 above provided some high-level detail of the Department's 2016 financial provision as secured through the 2016 Revised Estimates Volume. To recap, the €810m secured for 2016 will cover staffing and administration of the Department, its agencies and offices, pensions funding, and capital grants expenditure on a range of programmes designed to support jobs and facilitate further economic growth.

Structure of Vote 32 – Jobs, Enterprise & Innovation

As a consequence of reforms introduced in 2012 to the public financial management process, the Department's objectives are pursued and delivered through three high-level Programme Areas linked to the Department's Statement of Strategy. This follows the Performance Budgeting approach adopted by the Department of Public Expenditure & Reform (DPER).

The 3 JEI high-level Programme Areas are:

- A: Jobs and Enterprise Development
- B: Innovation
- C: Regulation

In terms of Vote Management the 3 areas of programme expenditure span across 37 Subheads and 6 Administrative (Departmental) Subheads. The complex Vote structure reflects the wide diversity of the Department's remit and range of functions.

Table: Funding Distribution at Programme Expenditure area

Programme Area	2016 Estimate		
	Current	Capital	Total
	€m	€m	€m
A - JOBS & ENTERPRISE DEVELOPMENT	188.685	205.800 (inc. 10m carryover)	394.485
B – INNOVATION	25.93	307.200	333.130
C – REGULATION	82.858	0	82.858
Gross Total: -	297.473	513.000	810.473
APPROPRIATIONS-IN-AID (i.e estimated income)	46.648	0.500	47.148
Net Total:-	250.825	512.500	763.325

Programme A – Jobs and Enterprise Development

The primary objective of this programme area is to maximise sustainable job creation across the enterprise base to make Ireland the best small country to do business in. The Department aims to position Ireland as a competitive, innovation-driven location in which to do business, to promote entrepreneurship, to develop a strong indigenous enterprise base, to target future inward investment and to grow exports in existing and fast-growing markets.

This programme area covers the “Action Plan for Jobs” as well as activities carried out by specific policy areas of the Department spanning indigenous enterprise, regional development, micro-finance, state-aid, EU affairs, trade, foreign direct investment, competitiveness issues and the green economy.

Under Programme A funding provision is provided to the following agencies and programme lines:

- InterTrade Ireland
- IDA Ireland
- Enterprise Ireland
- Local Enterprise Offices (LEOs)
- National Standards Authority of Ireland

Funding under Programme A is also provided:

- To assist North-South measures via the Enterprise Development strand of the cross-border INTERREG programme
- For the Credit Guarantee Scheme
- For Ireland’s membership of the World Trade Organisation
- To pay for Agency legacy pensions (for retired employees of the enterprise agencies).

Programme B – Innovation

The primary objective of this programme is to foster and embed a world class innovation system that underpins enterprise development and drives commercialisation of research to build national competitive advantage across the economy. Funding is provided for strategic investments in research, development and innovation and the development of human capital. This investment is serving as key driver for growth, and the creation and maintenance of sustainable employment into the future.

Funding to support the Department’s activities under Programme Area B – Innovation are delivered by and through:

- The Patents Office
- Enterprise Ireland
- Science Foundation Ireland
- The Programme for Research in Third-Level Institutions (PRTL I)*
- Tyndall National Institute

- * The PRTL I is administered on behalf of the Minister for JEI by Higher Education Authority, an agency under the auspices of the Minister for Education & Skills. Responsibility for the PRTL I transferred to the Minister for JEI in May 2010.

Funding under this programme area also covers Ireland’s memberships of various international research organisations such as:

- Centre Européen de Calcul Atomique et Moléculaire (CECAM)
- European Space Agency (ESA)
- European Molecular Biology Laboratory
- European Molecular Biology Conference
- European Cooperation in Science and Technology (COST)
- Eureka

Programme C – Regulation

The primary objective of this Programme is to ensure that Ireland’s business regulatory system and dispute resolution mechanisms facilitate fair, efficient and competitive markets, for businesses, employees and consumers to make Ireland the best small country to do business in.

The Department aims to make markets, including the labour markets, work more efficiently through smart regulation which encourages innovation, keen competition, high standards of compliance and consumer protection but without unnecessary regulatory cost. In recent years the Department has delivered very significant reforms to the Regulation area such as:

- The amalgamation of the Competition Authority with the National Consumer Agency to form the Competition & Consumer Protection Commission;
- The establishment of the Workplace Relations Commission (through the amalgamation of the Labour Relations Commission, National Employment Rights Authority and the Equality Tribunal)
- Establishment of the Low Pay Commission.

Funding under Programme Area C – Regulation covers the following:

- Companies Registration Office (CRO) incorporating the Registrar of Friendly Societies
- Competition & Consumer Protection Commission
- Employment Appeals Tribunal (EAT)
- Health and Safety Authority (HSA)
- Irish Auditing and Accounting Supervisory Authority (IAASA)
- Labour Court
- Low Pay Commission
- Office of the Director of Corporate Enforcement (ODCE)
- Patents Office
- Workplace Relations Commission

The activities of the High-Level Group on Business Regulation, the Company Law Review Group and the Sales Law Review Group are also included under this Programme area. Ireland’s membership of the International Labour Organisation is also provided for under this programme area.

Comprehensive Reviews of Expenditure 2011 – 14 and 2015 - 17

In recent years the Department, in line with DPER requirements, has undertaken two Comprehensive Reviews of Expenditure covering the periods 2011 – 2014 and 2015 – 2017 respectively. The Department has delivered on all savings required by DPER from 2011 to date. The next scheduled CRE is to cover the period 2018 – 2020. It is expected that this will be conducted in early/mid 2017.

The Capital Plan 2016 – 2021

In September 2015 the Government produced a Capital Plan covering the period 2016 – 2021. The Capital Plan was prepared and published by the Department of Public Expenditure & Reform in September 2015. The indicative JEI Capital multi-annual provision in it was as follows:

Table: Proposed JEI Capital allocations under the published Capital Plan 2016– 21

	2016	2017	2018	2019	2020	2021	Total
Proposed JEI Capital	€495m	€525m	€490m	€500m	€500m	€500m	€3.010 billion

The Department made its Capital submission under the Capital Plan to DPER in June 2015 as follows:

	2016	2017	2018	2019	2020*	Total
Capital sought by DJEI	€595m	€630m	€648m	€657m	€642m	€3.172 billion

*At the time of the submission the envisaged period of the Capital Plan was five years spanning 2016 – 2020.

The actual (comparable like-for-like) capital expenditure incurred by DJEI over the 6 year period 2010 – 15 closely matches the quantum proposed for the period 2016 – 21 under the published Capital Plan. However it needs to be borne in mind that the 2010 – 15 period encompassed several years of the fiscal crisis where demand and capacity for enterprise supports was at its lowest.

JEI Capital Expenditure 2010 – 2015

	2010	2011	2012	2013	2014	2015	Total
Capital Expenditure	€511.45m	€524.97m	€511.57m	€494.98m	€443.49m	€528.38m	€3.014 billion

Notes: The above Capital expenditure figures include:

- Capital Carryover (each year since 2012)
- Sanctioned Virements (i.e. approved movement of monies across capital subheads in-year).
- The 2015 Supplementary Estimate of €50m.
- Upward adjustments to the 2010 – 14 capital expenditure figures to take into account the reclassification of certain R&D expenditure (from Current to Capital) arising under new EU Standards of Accounting rules. These came into effect in 2015 and typically such R&D expenditure was c. €40m p/a in the period 2010 – 14.

Subsequent to the publication of the Capital Plan in September 2015, through the 2016 Revised Estimates Volume, the Department secured additional capital funding to bring its 2016 capital base figure to €503m (this compares to €489m in 2015).

We also secured €10m in capital carryover into 2016 (compared to €20m carryover into 2015).

Therefore the total 2016 capital supports available to the enterprise agencies is €513m (compared to €509m in 2015 excluding Supplementary moneys) giving a net increase of €4m (+0.8%). A mid-term review of the plan was mooted by the previous Government for 2017 though when such a review will take place will be dependent on the new Government's plans.

6.3 FINANCIAL ISSUES FACING THE DEPARTMENT FOR 2017 AND BEYOND

6.3.1 Current Expenditure Requirements

The Department and DPER are understandably keen to ensure prudent management of Exchequer monies and that the hard won efficiency gains of recent years are maintained. It is imperative that the Department continues to extract the best value for money right across its current expenditure provision.

As mentioned earlier, the Department has fully met the Current expenditure targets set by DPER for the periods 2011 – 14 and for 2015 -2016. The requirements for 2017 will be determined through the 2017 Estimates process to be undertaken in autumn 2016.

Our initial expectation is that the JEI Current ceiling will remain largely at the 2016 level of €297m. Some relatively modest upward Pay adjustment relating to the Lansdowne Road agreement is envisaged. However, given the diversity of functions, the pace of delivery desired by Government and the increase in functions, including under EU Law, of the Department and its agencies, serious choices will arise in 2017 as to the pay allocation across units, divisions, offices and agencies as the demand for staffing will significantly outstrip resources. Accordingly, the Department will have to seek revised global pay allocation from 2017 onwards or deprioritise existing activities/services.

The improving economic environment and the cessation of the Employment Control Framework and staffing recruitment moratorium during 2015 has given rise to an expectation across the Department and at Agency level of increased Current funding capacity across the JEI Vote. This is not likely to be the case in the short-term particularly in terms of the Exchequer Pay provision. The Department will be expected to continue to live within an annual Pay ceiling in the territory of €155m p/a in the short-to-medium.

6.3.2 The Public Capital Programme: JEI Capital Allocations

The public capital investment programme plays a critical role in facilitating economic growth and enterprise development in Ireland. A core component of the capital investment programme is the funding for enterprise support and development via DJEI and the enterprise agencies. The Capital programmes supported by the Department and our Agencies are crucial in increasing employment, driving innovation and company growth and enhancing export potential.

The primary funding challenge for the Department in the years ahead will be to secure sufficient capital provision for the enterprise agencies to further enhance enterprise development and Ireland's innovation system. JEI capital supports will be key to delivering on full employment aims, enhanced regional development and to maintain and grow our reputation as a highly innovative, research performing nation.

The Department recognises the constrained resources available to Government. To fund growth and development opportunities for Ireland out to 2020 requires making smart choices to maximise the return on the public capital investment. As a consequence of the fiscal crisis the level of the public capital investment has fallen sharply in recent years. The 2016 PCP amounts to €3.96 billion compared to €4.69 billion in 2011.

However, after a number of years of significant financial constraint for enterprise, it is essential the Department looks for increased capital supports to continue to stimulate economic growth, to create additional jobs and to restore Ireland to near full-employment levels.

Enhanced support for enterprise development is critical to ensuring that Ireland remains at the forefront of the global competition for FDI, we need to maximise Ireland's entrepreneurship capabilities, we need to further enhance our innovation system and we need to continue to assist in job protection. A successful enterprise sector also creates the resources that can support broader expenditure and investment across Irish society and the economy.

DJEI Capital Spend is Delivering for Ireland

The investments through DJEI and its agencies have contributed strongly to growing productivity, innovation and employment in the economy and thereby significantly reducing the unemployment level from 15.2% in 2012 to 8.6% in January 2016.

The Department's capital investment programmes differ significantly to other Public Capital Programme (PCP) projects and have a far greater jobs impact. The majority of PCP offers one off construction projects which yield in the region of 10-20 jobs per €1m spent. Whereas, in terms of sustainable employment, it is important to note that enterprise agency job numbers are based on jobs that are sustained over at least 7 years as opposed to 2 to 4 years for capital investment in other infrastructure projects. Furthermore, Forfás evaluations undertaken in 2013/2014 also show other benefits from enterprise capital grant supports such as:

- The leverage of additional private funds which all our agencies deliver (an average of €3 private for every €1 public).
- The highest number of jobs per €1 million spent on the PCP which our agencies deliver (sustaining over 155 jobs for seven years per €1 million invested in projects).
- The unique feature of additional sustainable jobs in sub supply, which the enterprises which our agencies support deliver, doubling the jobs impact.
- The scope for cost effective job protection which our agencies are uniquely placed to deliver. This has helped bring job losses in the portfolio to historic low levels in 2015 whilst also growing the EI and IDA directly supported jobs level to an all-time high.
- Our position to drive Ireland into a position to be a leader in the "war for talent" through science and technology skills and centres of excellence which are now linked to over one third of IDA project wins each year.

Jobs being supported by Enterprise Agencies

At the end of 2015 over 410,000 jobs (over 1 in 5 of those employed in Ireland) are directly being supported by the enterprise agencies – Enterprise Ireland, IDA Ireland and the Local Enterprise Offices.

Allowing for the multiplier effect a similar number (a further 400,000+ jobs) are supported indirectly through interactions with enterprise agency client companies in services and sub-supply. Therefore over 800,000 jobs - more than 2 in 5 jobs in Ireland – are connecting and benefitting in some way through enterprise agency supports.

- At the end of 2015 Enterprise Ireland client companies were directly supporting 192,223 jobs across its client base – its highest level ever.
- IDA Ireland were directly supporting 187,056 jobs across its client cohort – also the highest level ever being supported by the IDA.
- A further 32,592 jobs (full-time and part-time) are being supported through the Local Enterprise Offices (LEOs).
- The capital provision through Science Foundation Ireland also provides direct funding and employment for nearly 3,000 high-class researchers with a further 5,000 plus researcher jobs being leveraged off the SFI funding.
- SFI funded research is also leveraging significant additional investment in Ireland through EU research funding streams and directly from industry – typically in the range of €120m+ per annum (combined).

In addition to the jobs being supported, typically the EI and IDA client cohort companies spend over €20 billion per annum in the Irish economy. Furthermore EI clients are also generating export sales of a similar magnitude annually.

Underpinning much of this is the innovative capacity of Irish based enterprise which has benefitted hugely over the past fifteen years or more through the State's very significant investments in research and development via Science Foundation Ireland and the Programme for Research in Third-level Institutions. In recent years, typically 30% to 40% of the IDA new FDI investment wins each year have been research and development related.

The need to increase JEI Capital provision from 2017

As mentioned earlier, the Department made a capital submission to DPER in June 2015 seeking additional capital provisions over the period to 2020. The ultimate 2016 JEI Capital provision was a net €4m increase (+0.8%) over the 2015 level (excluding the 2015 Supplementary Estimate).

Our 2016 allocation is essentially at the same level of our 2010 capital expenditure yet that was at the height of the crisis when demand and capacity for enterprise supports was very much constrained. A significant increase in the JEI Capital provision from 2017 onwards is needed if we are to deliver on the ambitious plans in areas where the Department is a key actor, with the ultimate aim being full employment in the near future. Two key areas where additional funding is needed from 2017 are:

(a) Regional Development Plans

Throughout 2015 and into early 2016 the Government launched 8 Regional Jobs Action Plans. The objective being to ensure that the benefits of recent economic recovery could be felt right across Ireland's eight regions. Developing bespoke jobs plans for each of the 8 regions was born out of the success of the national Action Plan for Jobs (APJ) process. The aim is for each region to grow employment by 10% to 15% over the period to 2020.

The DJEI Capital supports through Enterprise Ireland, IDA Ireland and the Local Enterprise Offices are expected to be the primary funding supports for each region. In this regard during 2015 the Government announced that it would make €250m available in regional funding through Enterprise Ireland, IDA Ireland and the Local Enterprise Offices over the period of the plans. This €250m is broken down between:

- €100m is to be provided through competitive calls through Enterprise Ireland and the Local Enterprise Offices.
- €150m is to be provided in a dedicated IDA Regional Development property programme via a series of "new builds" and key infrastructure upgrades urgently needed to maintain Ireland's foreign direct investment capacity.

Such regional ambitions would therefore require a c. €40m+ annual investment through the enterprise agencies over the period to 2020. Whilst the Department was the beneficiary of a Supplementary Estimate in late 2015, there was only a €4m net increase in our 2016 capital provision to support planned regional activities. It is also important to bear in mind the multi-annual nature and existing grant commitments that the agencies are currently managing. Without a steep increase in the JEI capital allocation from 2017 onwards the enterprise agencies and the LEOs will be unable to deliver on the ambitions of the regional plans.

(ii) Funding for “Innovation 2020” – Ireland’s national strategy for Research & Development, Science & Technology.

A crucially important element of JEI capital supports relates to “Expenditure Programme Area B – Innovation” which primarily covers R&D investments through Science Foundation Ireland, Enterprise Ireland and the Programme for Research in Third-Level Institutions (PRTLII).

Since the late 1990s, successive Governments decisions to pursue a Smart Economy strategy and invest heavily in science and technology has resulted in the country being transformed into a leading centre for education, research and industry across a range of cutting-edge disciplines. From a very low base, Ireland has today become home to:

- 9 of the top ten global ICT companies
- 9 of the top ten global pharmaceutical companies
- 17 of the top 25 global medical devices companies, and
- More than half of the world’s leading financial services institutions.

Also Ireland is now in the Global Top 20 (ranked 16th overall, up from 36th in 2003) for the quality of our scientific research. In specific scientific disciplines we are genuine world-leaders given we are ranked:

- 1st in the world for our research in Nanoscience
- 2nd in Computer Science
- 2nd in Immunology
- 3rd in Animal and Dairy science
- 5th in Materials Science.

Much of this success has been as a consequence of the sustained research capital investments undertaken through Science Foundation Ireland (established in 2000) and the Higher Education Authority via the PRTLII. Responsibility for the PRTLII was transferred to the Minister for Jobs, Enterprise and Innovation in 2010. Nearly half (over 48%) of Ireland’s public research funding supports are via the Department’s Vote. The 2015 public R&D spend is estimated at €847m of which the JEI capital R&D expenditure amounted to approximately €410m.*

*(*2015 capital spend under “Programme B – Innovation” of €349.9m plus an indicative IDA R&D expenditure of c. €50m ~ €60m p/a = c. €410mc.)*

In order to maintain and improve Ireland’s competitiveness in the innovation arena, to maintain and attract high calibre FDI and to ensure a pipeline of highly skilled researchers to feed industry demand and help our enterprise base to thrive and diversify, we need to return to a trajectory of increasing public investment in research and innovation over the coming years. The previous Government recommitted to the EU “Europe 2020” target of achieving a research intensity target of 2.5% of GNP by 2020. This can only be achieved by a planned year on year increase in public investment from 2017 onwards.

In December 2015, “Innovation 2020”, the new national strategy for Research and Development, Science and Technology, was launched. There was no new, additional funding provided for “Innovation 2020” for 2016. In fact for 2016, the capital provision under “Programme B – Innovation” has been reduced to €307m. This compares to the 2015 capital expenditure of €349.996m, nearly

€43m less. The reduction can partly be explained by the provision of Supplementary Estimate moneys in December 2015 €29m of which went to Innovation supports as mentioned earlier.

In our Capital bid to DPER in June 2015 it was estimated that over the period 2016 to 2020 the Department needed at least an additional €330m over the period (i.e. c. €65m+ per annum) in capital funding across the innovation and R&D programmes covered by Science Foundation Ireland, Enterprise Ireland, IDA Ireland and the PRTL. Ireland's future prosperity rests on our ability to compete in a global economy that is increasingly driven by innovation. A significant increase in Science Foundation, Enterprise Ireland, IDA Ireland investment in human capital and research infrastructure is needed from 2017 onwards to develop the innovative and enterprise capacity of Irish firms to enable them to compete and succeed on international markets. This will help generate long-term successful enterprises and sustainable jobs. More specific details required to adequately support "Innovation 2020" and the foreign direct investment plans of IDA Ireland are provided elsewhere in this briefing document by the Innovation and Investment Division.

Comparison of DJEI Vote Allocations as per Revised Estimates Volume 2011-2016						
	2011 Estimate 000s	2012 Estimate 000s	2013 Estimate 000s	2014 Estimate 000s	2015 Estimate 000s	2016 Estimate 000s
JEI						
Current	392,469	367,553	358,116	339,022	301,186	297,473
Capital	508,000	514,000	454,500	442,000	539,000	503,000
TOTAL	900,469	881,553	812,616	781,022	840,186	800,473
OVERALL EXCHEQUER						
Current	52,853,654	51,893,876	51,145,625	49,648,026	51,082,079	51,332,110
Capital	4,690,453	3,961,788	3,431,292	3,339,404	3,833,403	3,967,338
TOTAL	57,544,107	55,855,664	54,576,917	52,987,430	54,915,482	55,299,448
JEI % Of OVERALL Exchequer						
Current	0.74%	0.71%	0.70%	0.68%	0.59%	0.58%
Capital	10.83%	12.97%	13.25%	13.24%	14.06%	12.68%
TOTAL	1.56%	1.58%	1.49%	1.47%	1.53%	1.45%
JEI Change on Previous Year	<u>2016 v 2011</u>	<u>2012 v 2011</u>	<u>2013 v 2012</u>	<u>2014 v 2013</u>	<u>2015 v 2014</u>	<u>2016 v 2015</u>
Current	-94,996	-24,916	-9,437	-19,094	-37,836	-3,713
Capital	-5,000	6,000	-59,500	-12,500	97,000	-36,000
TOTAL	-99,996	-18,916	-68,937	-31,594	59,164	-39,713

Notes

- (i) Figures taken from each annual Revised Estimates Volume published by D/Finance and D/PER.
- (ii) Figures do not include Capital Carryover amounts from year to year.

- (iii) The 2015 JEI Capital figure of €539m DOES include the **€50m** Supplementary Estimate amount. This skews comparison figures of 2014/15 and 2015/16.
- (iv) The Current figs for 2011 to 2014 include c. €40m p/a in R&D allocations which were reclassified in 2015.

Therefore in real terms the 2016 capital allocation is €5m less (than 2011) **AND** is also "absorbing" the reclassified R&D expenditure which was €41m in 2011.

For a "like-for-like" 2011 – 2016 comparison, the 2016 provision is c. -€46m (-8.8%) as the 2011 capital figure above does not include the reclassified R&D monies.

6.4 STAFF RESOURCES

Summary

Numbers serving in the Department have been reduced from 1,075 at the end of 2008 to 799.27 (FTE) as at end January 2016. During that period there were transfers out of functions and associated staff to the Departments of Education & Skills and Social Protection, the arrival of the Equality Tribunal (2013) and the transition into the Department of the functions and staff of the former state Agency Forfas (2014). These transitions, and the effects of the moratorium on public service recruitment, therefore, reduced the overall numbers in the Department by approximately 275 net. The Department continued to perform an increasing level and range of functions, including in 2014 the transfer of functions into the Department for the implementation of the Construction Contracts Act, and in 2015 the establishment of the Low Pay Commission. A significant reform was also introduced as of 1st October, 2015, with the establishment of the Workplace Relations Commission (merging the former Labour Relations Commission, National Employment Rights Authority, the first instance functions of the Employment Appeals Tribunal¹⁷ and Equality Tribunal), together with an expanded Labour Court.

During 2015 the Department received delegated sanction for a Staffing Resource Management Framework (SRMF) from the Department of Public Expenditure and Reform (DPER) to manage staffing matters without direct recourse to DPER, whereby the Department may fill vacancies through recruitment and/or promotion in certain specified, designated grades up to and including PO standard or equivalent, subject to the overall pay bill ceiling not being exceeded.

DPER sanction letter 10 th June 2015	2015	2016	2017
	Pay Bill €m	Pay Bill €m	Pay Bill €m
Department / Vote Group	154.594	154.594*	154.594*

* Pay ceilings for 2016 and 2017 are the 2015 pay allocation less the €4.156m included for additional pay dates in 2015

A relatively modest number of posts required to be filled in 2015 in order to meet the business needs of the Department in the context of the major reductions that had taken place in recent years as well as the pay budget limits that still obtained and this has been accomplished on an ongoing basis through internal promotions, and from open/inter-Departmental competitive recruitment through the Public Appointments Service (PAS). Filling of vacancies through open competition has proved a slow process and PAS continue to work to supply staff requested by the Department at AO, EO and CO

¹⁷ The first instance functions of the Employment Appeals Tribunal (EAT) were taken over by the Workplace Relations Commission on 1st October 2015. The EAT appellate functions were transferred to the Labour Court. However, The Employment Appeals Tribunal (EAT) cannot be wound up until it has disposed of its legacy caseload which may take between 18 and 24 months.

grades, and in specialist posts such as Investigators/Forensic Accountants (for the ODCE). The Department has also availed itself of the opportunity to engage a small number of Temporary Clerical Officers to assist with a spike in activity in the CRO due to the enactment of the Companies Act as well as for the Employment Permits Unit where demand has increased appreciably recently.

The following headline figures summarise the size of the Department (including the Offices) between 2008 and 2016:

Authorised number end 2008 = 1,102	FTE ¹⁸ Numbers serving end 2008 = 1,074.93
Staff in post end January 2016 = 850	FTE Numbers serving 31 st January 2016 = 799.27

Numbers serving in Offices of the Department at end 2008 and end December 2015

(Included in the headline figures above)

Office	Numbers serving end 2008	Numbers serving end January 2016
Companies Registration Office/ Registrar of Friendly Societies	133.81	105.71 ¹⁹
Office of the Director of Corporate Enforcement	36.50	30.5 ²⁰
Patents Office	60.10	41.5 ²¹
Workplace Relations Commission:	212.53	188.81
Labour Relations Commission (2008 = 47.6)		
National Employment Rights Authority (2008 = 130.33)		
Equality Tribunal (N/A)		
Employment Appeals Tribunal (2008 = 34.6)		
Labour Court	38.50	25.5

Overall Position

Since the end of 2008 and the introduction of the moratorium on recruitment and promotions in March, 2009, followed by other schemes to facilitate reductions in the Civil and Public Service, the Department has experienced a decrease of over 24%²² in its staff resources while experiencing no diminution of the level and range of services it is required to provide.

Management continues to monitor business demands/flows and avail itself of Business Process Reviews (BPRs) and workforce planning in key areas to identify means of streamlining current processes and deploy staffing resources where needed. For example, the Workplace Relations Commission Reform (affecting the Labour Court, Labour Relations Commission, NERA, EAT and Equality Tribunal) established in October 2015 should, once fully embedded and the EAT is subsequently wound up²³, yield a staff dividend of 20+ posts for reassignment within the wider

¹⁸ Full Time Equivalents (e.g. 2 staff working a half week each = 1 FTE post)

¹⁹ 6 vacancies in process of being filled (3 COs in Carlow, 2 SOs and 1 EO in Dublin)

²⁰ 11 vacancies in process of being filled (1 AP, 1 HEO plus 1 HEO ICT, 1 Solicitor and 7 Forensic Accountants posts through recruitment by PAS)

²¹ Excludes 5 ICT and Services Staff who are now counted in the Corporate Services Division

²² The figure takes account of the fact that certain functions were transferred from this Department to the Departments of Education and Social Protection in May 2010 and January 2011, and the transfer in to the Department of the Equality Tribunal in 2013 and Forfas in 2014.

²³ The EAT is dealing with legacy cases only from before the establishment of the WRC, and as these are settled, the resources of the EAT should be available for reassignment within the Department.

Department. Equally, investment in ICT has resulted in improved workflows and throughputs in certain processing areas without significant extra staffing resources being required.

Departmental Agencies

Under the post-Moratorium delegated sanction on staffing - the Staffing Resource Management Framework (SRMF) – the Department has delegated sanction to authorise the staffing levels for our family of Agencies up to and including Principal Officer or equivalent level. Recruitment to the most senior posts requires DPER sanction. This means that within the global DJEI pay Estimates, the Department sanctions the staffing levels for each Agency such that in aggregate the annual voted pay Estimate is not exceeded. This process involves the relevant Agency Liaison Unit (e.g. for IDA) satisfying itself with the business case being made for any recruitment and the Personnel Officer as Head of the State Agencies and Pensions Unit in conjunction with Finance Unit approves the recruitment once pay budget limits are being observed. Any recruitment outside these limits requires approval by the Secretary General and, in some cases, DPER. The State Agencies and Pensions Unit is working to develop a more refined arrangement with EI on a pilot basis to further streamline this staffing recruitment process.

Board Appointments

The process for appointments to State Boards was reformed by Government in late 2014 and the Personnel Officer, through the State Agencies and Pensions Unit, serves as the Department's State Boards Liaison Officer for engaging with the Public Appointments Service (PAS) on the advertising and assessment processes after which lists of potential candidates are made available to the Minister to facilitate his/her making Board appointments.

Accommodation

The Department and its Offices' network are spread across a number of buildings and the Department is actively working with the OPW on a number of relocation projects as follows:

- a) In relation to Parnell House, CRO and the CCPC will move from Parnell House to Bloom House (Gloucester Road (adjacent to the HSA)). OPW are working to have Bloom House available for occupancy by September 2016.
- b) In relation to Davitt House, there are 4 groups of staff to be relocated – Labour Affairs Division (including Internal Audit Unit), WRC staff, Finance Unit and the EAT. The following is the latest position:
 - The WRC staff from Davitt House and the Labour Court will be housed together on the Ground Floor as well as Floors 3-7 of Lansdowne House. The Revenue Commissioners will retain occupancy of Floors 1-2. Fit-out work has commenced in Lansdowne House and a July 2016 move is being targeted by OPW.
 - Alternative accommodation for the EAT (Davitt House), while it deals with the legacy caseload, has yet to be identified.
 - OPW intend relocating DSP staff from the 2 floors they occupy in the Earlsfort Building and it is intended that the Labour Affairs Division be accommodated in Earlsfort. OPW timeframe is contingent on DSP property consolidation.
 - OPW have identified 59 Dawson Street as a suitable location for the Department's Finance Unit. A timeline for this move is not available just yet but June/July 2016 seems likely.

All of these moves will require careful planning such that the moves can take effect with minimal impact on service delivery by the affected Business Units.

Section Seven ~ Legislation

7.1 Legislation where Heads of Bill previously approved

(a) Companies (Accounting) Bill 2016

A Bill to transpose the EU Accounting Directive (Directive 2013/34/EU) into Irish law. This Bill will reduce the financial reporting requirements on small and micro enterprises, and introduce new obligations for enterprises in the extractive and logging of primary forest industries to report publicly on any payments they make to Governments.

(b) Hallmarking (Amendment) Bill 2016

To amend the Hallmarking Act 1981 to include palladium and mixed precious metal in the definition of articles of precious metals that will be hallmarked by the Assay Office and to enable the Assay Office to strike hallmarks outside the State and for items bearing those hallmarks to be treated in the same way as items bearing hallmarks struck in the State. It will also provide for the updating of offences and penalties. The Bill will also give further effect to the EU Directive on ADR (2013/11/EU) which will allow an ADR entity to insert in it procedural rules specific reasons for refusing to deal with a consumer complaint.

(c) Thirty [] Amendment of the Constitution (Unified Patent Court) Bill

The purpose of the Bill is to amend Article 29 of the Constitution to recognise the International Agreement on a Unified Patent Court

7.2 Primary Legislation under consideration

- (a) **Personal Injuries Assessment Board (Amendment) Bill** - The objective of this Bill is to introduce a number of amendments to improve the operation of the 2003 Act and to provide clarity with regard to certain provisions.
- (b) **Consumer Rights Bill**, which will consolidate and update the key statutory provisions applicable to consumer contracts, creates a legislative framework more appropriate to 21st century conditions and requirements, create clearer rules for businesses, and bring about substantial improvements for consumers.
- (c) **Casual Trading (Amendment) Bill** to ensure that the Casual Trading Act 1995 is not in conflict with EU legislation in respect of the three areas that are in direct conflict with the Services Directive, i.e.
 - (i) selection procedures; (ii) charges and fees; and (iii) duration of a casual trading licence.
- (d) Arising from enactment of the **Credit Guarantee [Amendment] Act 2016 [No 1 of 2016]**:
 - (i) Statutory Instrument to update and extend the existing Credit Guarantee Scheme
 - (ii) Statutory Instrument to introduce a new Counter Guarantee Scheme
- (e) **Workplace Relations (Amendment) Bill** (possible) (could be incorporated with above)

- (f) Amendment of subsections (1) and (2) of section 75 (Disclosure of information) of the [Safety Health and Welfare at Work Act 2005](#) to enable the Health and Safety Authority and its inspectors to access and share certain employment related information held by other statutory enforcement authorities (e.g. Revenue and Department of Social Protection)
- (g) [\(a new Bill to repeal and replace the Dangerous Substances Act 1972 \(No. 10 of 1972\)\)](#) that would have inbuilt flexibility to take account of a range of fuels to be dispensed and allow for advancement in technical progress. This would allow for licencing authorities to operate effectively and efficiently. The new regulatory regime would also reduce the burden on industry, and support innovation by providing clearer criteria, and would also provide legal certainty to all involved, viz., operators, LAs, and the HSA.
- (h) [A new Inland Carriage of Dangerous Goods by Road Bill](#) to repeal and replace the Carriage of Dangerous Goods by Road Act 1998 and Regulations made under that Act by updated primary legislation, based on the principles of the the Safety, Health and Welfare at Work Act 2005 (No. 10 of 2005) and the Chemicals Act 2008 (No. 13 of 2008), to include relevant provisions of the European Communities (Transportable Pressure Equipment) Regulations 2004 (S.I. 374 of 2004) and to provide for the making of supplementary Regulations
- (i) [Amendments to the Patents Act 1992](#) (to re-introduce substantive examination for Irish patents in the context of the Knowledge Development Box)
- (j) [Knowledge Development Box \(Certification of Inventions\) Bill](#)
- (k) [Amending legislation to the Copyright and Related Rights Act 2000](#) in response to the recommendations of the Copyright Review Committee
- (l) [Industrial Development Acts 1986-2014](#) - potential amendments required as a result of Supreme Court decision on compulsory purchase powers.

7.3 Foreseeable Primary Legislation (arising from EU law)

(a) [Statutory Audits Bill 2016](#)

A Bill to further transpose the EU Directive on statutory audits (Directive 2014/56/EU) into Irish law and to give effect to options in the EU Regulation on statutory audits of public interest entities (Regulation 537/2014). The Department intends to transpose the essential elements of the EU Directive and Regulation by way of Statutory Instrument, to be signed into law in June 2016. However, there are some options in the EU rules that are not appropriate for secondary legislation. Therefore, we plan that this Bill will implement those additional elements that the Department considers would be beneficial.

(b) [Legislation to transpose the EU Directive on disclosure of non-financial and diversity information \(possibly incorporated into the Statutory Audits Bill\).](#)

This legislation will introduce new requirements for large undertakings to report on certain non-financial matters such as the environmental and social aspects of their business. It will also oblige listed entities to report on the policies that they have in place for diversity on their boards of directors.

- (c) Legislation to transpose the [Posted Workers Enforcement Directive](#)

7.4 Secondary Legislation

- (a) Transposition of Directive 2014/35/EU by 20 April 2016 to harmonise laws of Member States relating to the making available on the market of electrical equipment designed for use within certain voltage limits.
- (b) Transposition of Directive 2014/104/EU by 27 December 2016 which sets out certain rules necessary to ensure that anyone who has suffered harm caused by an infringement of competition law by an undertaking or by an association of undertakings can effectively exercise the right to claim full compensation for that harm from that undertaking or association.
- (c) Arising from enactment of the Credit Guarantee [Amendment] Act 2016 [No 1 of 2016]:
 - Statutory Instrument to update and extend the existing Credit Guarantee Scheme
 - Statutory Instrument to introduce a new Counter Guarantee Scheme

Appendix 1 ~ Implementation of EU Directives

The Department works to ensure the timely implementation of EU law by ensuring that EU Directives are transposed within the required deadlines. Failure to implement Directives properly and on time can lead to infringement proceedings and heavy financial penalties.

Current position on Directives

- Fifteen Directives to be transposed during 2016
- Five codified Directives to be transposed (no deadlines)
-

DIRECTIVES TO BE TRANSPOSED IN 2016 (Fifteen)		
Description of Directive	Deadline for Transposition/ Unit Responsible	Current Position
<p>1. Directive 2011/17/EU of the European Parliament and of the Council of 9 March 2011 repealing Council Directives 71/317/EEC, 71/347/EEC, 71/349/EEC, 74/148/EEC, 75/33/EEC, 76/765/EEC, 76/766/EEC and 86/217/EEC regarding metrology</p>	<p>Subject of infringement notice</p> <p>Unit: NSAI Liaison & Standards Unit</p>	<p>It is aimed to transpose this Directive by end Q2 of this year.</p>
<p>2. Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings</p>	<p>20/07/2015</p> <p>Unit: Company Law Unit</p>	<p>Drafting of the Companies (Accounting) Bill, which transposes Directive 2013/34/EU, is at an advanced stage.</p>
<p>3. Directive 2014/30/EU on the harmonisation of the laws of Members States relating to Electromagnetic Compatibility (Recast)</p>	<p>19/04/2016</p> <p>Unit: Enterprise Development Unit</p>	<p>A second Regulation to transpose the remaining provisions is being advanced.</p>
<p>4. Directive 2014/31/EU on the harmonisation of the laws of Members States relating to the making available on the market of non-automatic weighing instruments</p>	<p>19/04/2016</p> <p>Unit: NSAI Liaison & Standards Unit</p>	<p>Draft regulations being prepared. It is aimed to have transposition achieved in Q2.</p>

<p>5. Directive 2014/32/EU relating to the harmonisation of the laws of the Member States relation to the making available on the market of measuring instruments (Recast)</p>	<p>19/04/2016</p> <p><u>Unit:</u> NSAI Liaison & Standards Unit</p>	<p>Draft regulations being prepared. It is aimed to have transposition achieved in Q2.</p>
<p>6. Directive 2014/33/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to lifts and safety components for lifts (recast)</p>	<p>19/04/2016</p> <p><u>Unit:</u> Safety, Health & Chemicals Policy Unit</p>	<p>Counsel has been engaged to provide legal scrutiny and settlement in cooperation with Competition & Consumer Policy Unit.</p>
<p>7. Directive 2014/34/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to equipment and protective systems intended for use in potentially explosive atmospheres (Recast)</p>	<p>19/04/2016</p> <p><u>Unit:</u> Safety, Health and Chemicals Policy Unit</p>	<p>Counsel has been engaged to provide legal scrutiny and settlement in cooperation with Competition & Consumer Policy Unit.</p>
<p>8. Directive 2014/35/EU of the European Parliament and Council on the Harmonisation of the laws of Member States relating to Electrical Equipment designed for use within certain voltage limits</p>	<p>19/04/2016</p> <p><u>Unit:</u> Competition & Consumer Policy Unit</p>	<p>Drafting of SI is well advanced.</p>
<p>9. Directive 2014/56/EU on statutory audits of annual accounts and consolidated accounts</p>	<p>17/06/2016</p> <p><u>Unit:</u> Company Law Unit</p>	<p>Draft regulations being prepared.</p>
<p>10. Directive 2014/67/EU on the posting of workers</p>	<p>18/06/2016</p> <p><u>Unit:</u> Employment Rights Unit</p>	<p>Drafting of regulations has commenced.</p>

<p>11. Directive 2013/35/EU on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (electromagnetic fields)</p>	<p>01/07/2016</p> <p><u>Unit:</u> Safety, Health and Chemicals Policy Unit</p>	<p>Counsel has successfully completed legal scrutiny and settlement, Regulations being prepared for formal presentation to Minister for signature.</p>
<p>12. Directive 2014/68/EU on the harmonisation of the laws of the member states in relation to the making available on the market of pressure equipment (Recast)</p>	<p>18/07/2016</p> <p><u>Unit:</u> Safety, Health and Chemicals Policy Unit</p>	<p>Partial transposition completed in March 2015, Counsel engaged to legally settle Regulations in cooperation with Competition & Consumer Policy Unit.</p>
<p>13. Directive 2014/95/EU on disclosure of non-financial and diversity information by certain large undertakings and groups</p>	<p>06/12/2016</p> <p><u>Unit:</u> Company Law Unit</p>	<p>The Department intend to have draft legislation prepared in Q2 2016.</p>
<p>14. Directive 2014/104/EU on certain rules governing actions for damages under national law for infringements of the competition law provisions of the Member States and of the European Union</p>	<p>27/12/2016</p> <p><u>Unit:</u> Competition and Consumer Policy Unit</p>	<p>Drafting of SI has commenced.</p>
<p>15. Commission Delegated Directive 2015/13/EU of 31 October 2014 amending Annex III to Directive 2014/32/EU of the European Parliament and of the Council, as regards the flowrate range of water meters</p>	<p>19/04/2016</p> <p><u>Unit:</u> NSAI Liaison & Standards Unit</p>	<p>This is a replacement of Annex III to Directive 2014/32/EU and so will be part of that Directive's transposition.</p>

CODIFIED DIRECTIVES¹ (Five) CURRENTLY AWAITING TRANSPOSITION		
Description of Directive	Unit Responsible	Current position
1. Directive 2009/104/EC of the European Parliament and of the Council concerning the minimum safety and health requirements for the use of work equipment by workers at work (second individual Directive within the meaning of Article 16(1) of Directive 89/391/EEC)	Safety, Health and Chemicals Policy Unit	Draft with OPC.
2. Directive 2009/142/EC of the European Parliament and Council relating to appliances burning gaseous fuels	Competition & Consumer Unit	Draft with OPC.
3. Directive 2004/9/EC of the European Parliament and of the Council of 11 February 2004 on the inspection and verification of good laboratory practice (GLP) (Codified)	Safety, Health & Chemical Policy Unit	Draft final text of the Regulations being prepared.
4. Directive 2004/10/EC of the European Parliament and of the Council of 11 February 2004 on the harmonisation of laws, regulations and administrative provisions relating to the application of the principles of good laboratory practice and the verification of their applications tests on chemical substances (Codified)	Safety, Health & Chemical Policy Unit	Draft final text of the Regulations being prepared.
5. Directive 2004/37/EC on the protection of workers from the risks related to exposure to carcinogens or mutagens at work (Codified)	Safety, Health & Chemical Policy Unit	The Department is in consultation with the OPC regarding the possible transposition of this codified directive as part of the transposition of the Chemical Handling Directive 2014/27/EU.

¹ Codification brings together previous legislation in a single new act. There are no timelines required for the transposition of codified Directives.

The images on the cover of this document are of drawings by Gabriel Hayes who was commissioned in 1941 to design and complete a range of carved stonework for the facade of the Department of Industry and Commerce building at Kildare Street.

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