

Reshaping the Economy in the Wake of COVID-19 and Brexit

with Julie Sinnamon, Enterprise Ireland

Morning and Evening Briefings Series: Kindly Sponsored
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**READY
FOR A NEW
WORLD**

**As we enter Q4 of the final year of our strategy,
this has been an unprecedented year...**

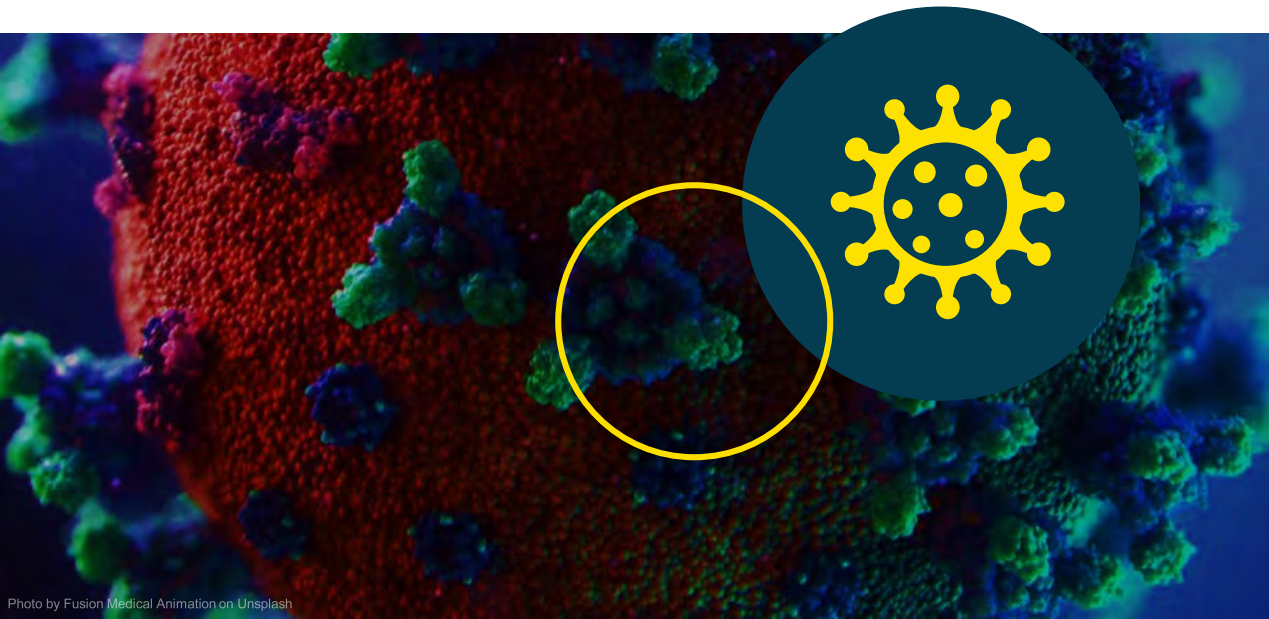


Photo by Fusion Medical Animation on Unsplash



**However, client companies started 2020
in a strong position**



Photo by Lucian Petronel Potlog from Pexels

2017-2020

Enterprise Ireland Strategy

2020 Targets

Outcomes

JOB

60,000

55,199



On target

EXPORTS

€26bn p.a

€25.6bn p.a



On target

SPEND IN ECONOMY

€27bn p.a

€29.3bn p.a



Ahead of target

R&D

€1.25bn p.a

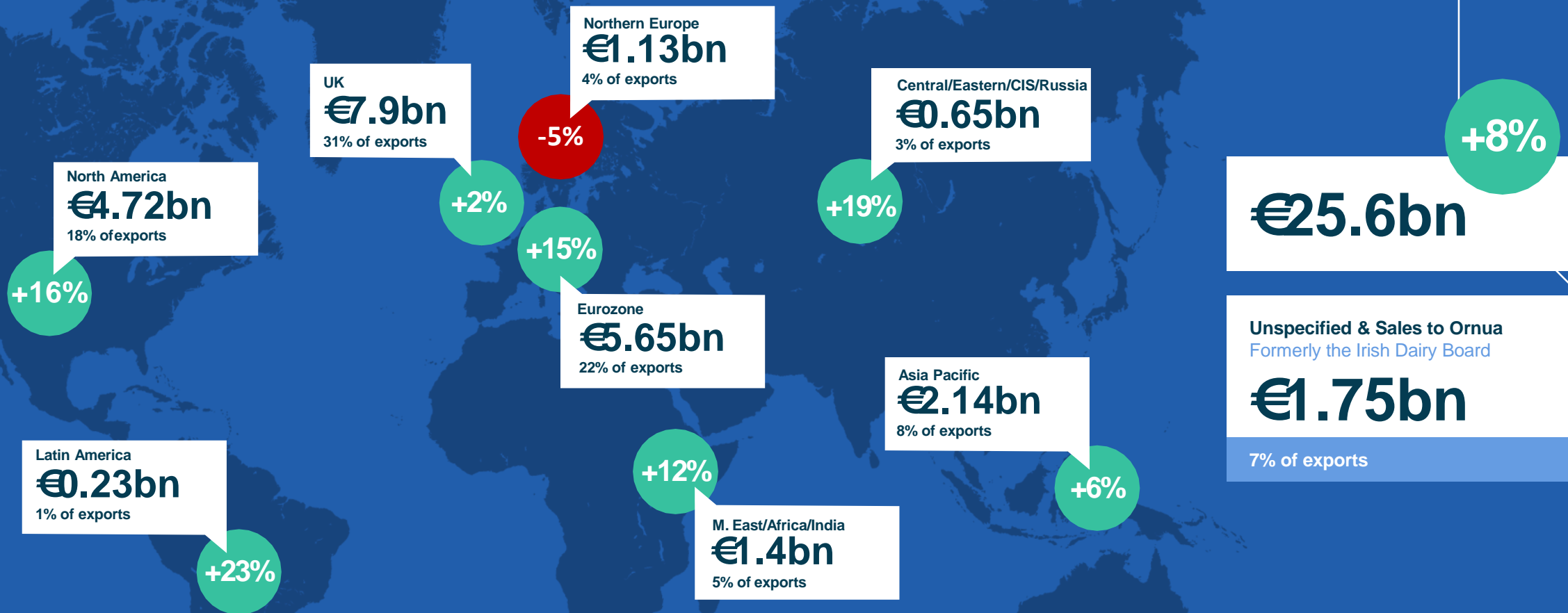
€1.1bn p.a



Challenges remaining

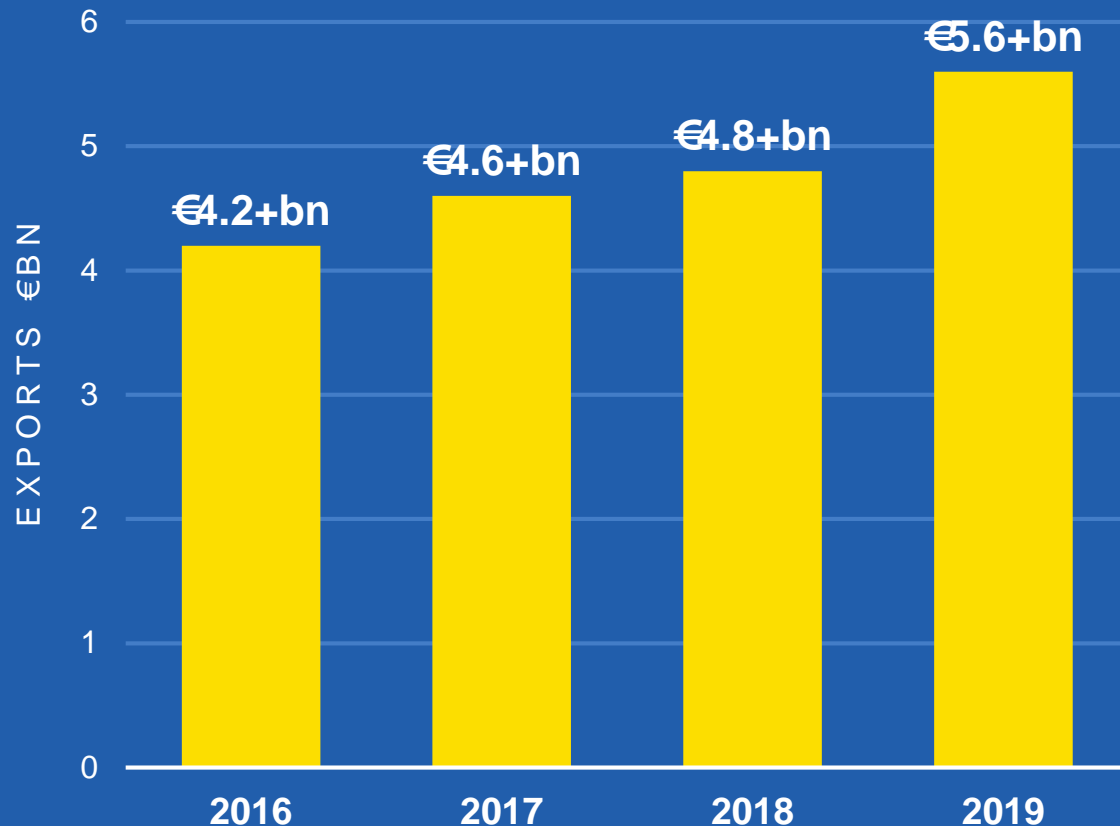
Record levels of Exports in 2019

Export growth of 8%



Growth into Eurozone

Exports to Eurozone +15% in 2019



EUROZONE

No 2 export market by value

NON-FOOD EXPORTS

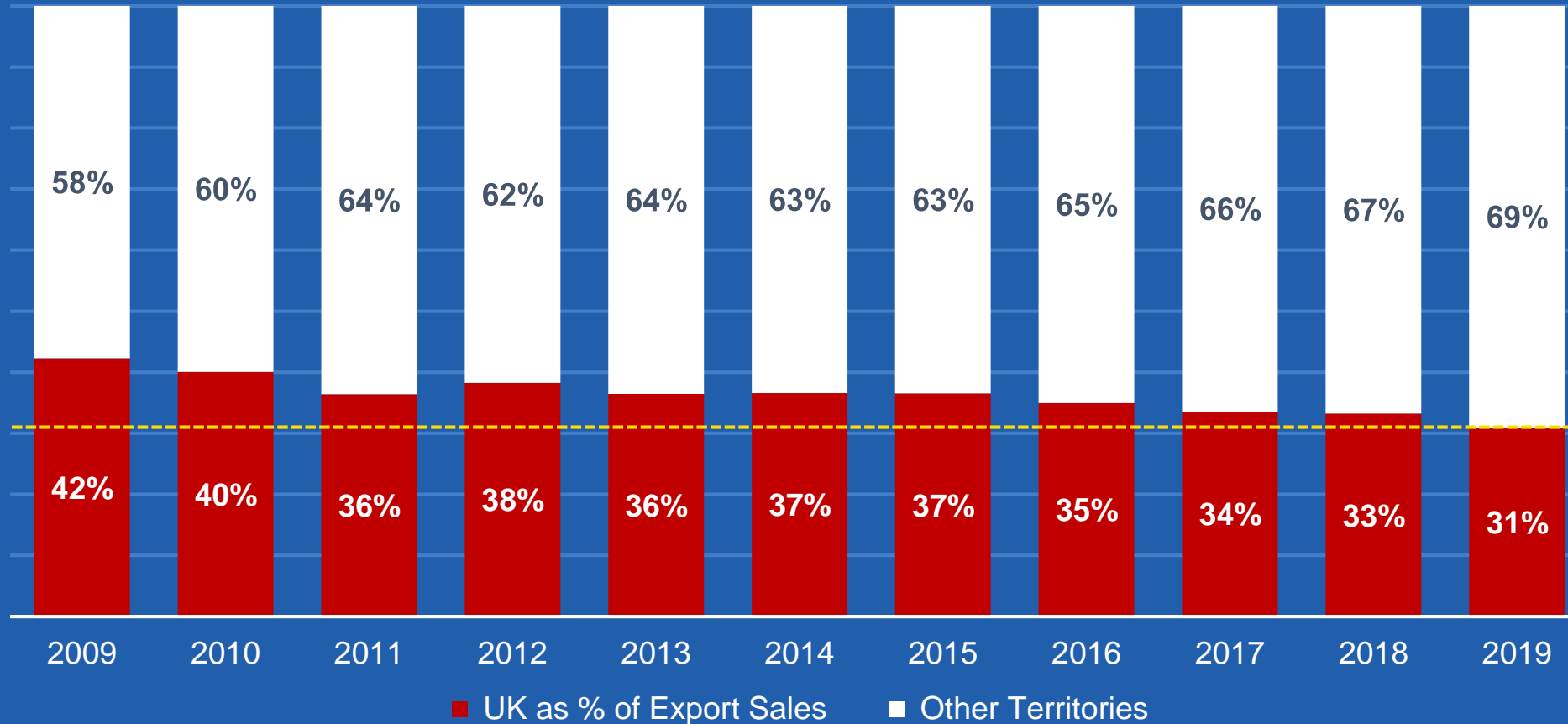
€2.6bn +25%

- Eurozone Strategy launched in 2017.
- Growth in the Eurozone a strategic priority.
- Exceeded 2019's ambitious €5.5bn target

UK remains No.1 Market

Strong market diversification continues

UK as % of Total Exports



UK represented
31%
of total export market

2020
target exceed



Which sectors drove

export growth in 2019?

 **ENTERPRISE
IRELAND**



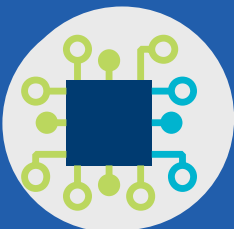
Construction

€2.24bn +19%



Engineering

€1.75bn +9%



Digital Technologies

€2.41bn +11%



Food

€12.17bn +3%



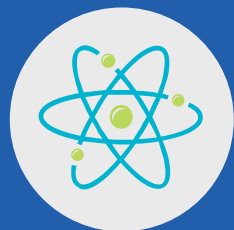
Electronics

€0.72bn +18%



Consumer Retail

€0.95bn +12%



Life Sciences

€1.99bn +13%



Fintech

€0.70bn +19%



New Challenges 2020

Global issues converge





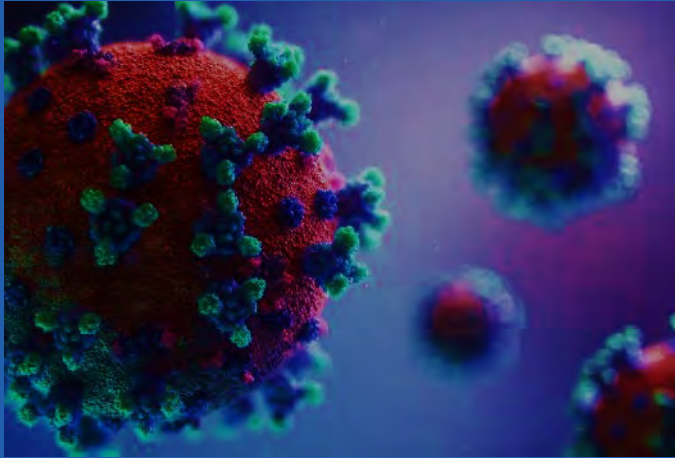
Covid-19 **Impact**



**+ READY
FOR A NEW
WORLD**

COVID-19

Impact



COVID-19 IMPACT

1,000

Client companies
impacted

turnover and output

Employing
70,000+



40,000

Are regionally critical companies



+ BREXIT IMPACT

270

Client companies
impacted

turnover and output

Employing
20,000+



Enterprise Ireland's

Covid-19 Response

Opened
information and
signposting Hub
for companies



March

COVID-19
Rapid Research
Call 1



March launch

**Covid-19 Business
Financial Planning
Grant**



8th April launch

Lean Business
Continuity
Voucher



8th April
launch

Sustaining
Enterprise
Fund



8th April
launch

Covid-19 Online
Retail Scheme
Call One



30th April open
for applications

Sustaining
Enterprise Fund
Small Enterprise
and HPSU



7th May
launch

COVID-19
Rapid Research
Call 2



June launch

Covid-19
Products
Scheme



4th June

July Stimulus
Package



23rd July

**New non-repayable
element included in
liquidity provided
under the SEF**



23rd of July

Covid-19 Online
Retail Scheme
Call Two



20th of August
call launch

€12m
Enterprise
Centre Fund



12th of
September
call opened

€10m Seed
and Venture
Call



16th September

Sustaining Enterprise Fund

FUND

€120m

NON-REPAYABLE GRANT

up to €200,000

Open Until

DEC

2020

Covid-19



Get the funding your business needs to **accelerate** its recovery.

Enterprise Ireland is helping Irish businesses to rebuild after the impact of Covid-19 – providing the funding they need to stabilise cashflow, adapt their operations and innovate to meet new customer needs.

Contact our Business Response Unit for full details of our new funding package, which now includes a non-repayable grant of up to €200,000.

This funding is time-limited and open to manufacturing or internationally traded services companies that employ more than 10 people.

enterprise-ireland.com/covid



Coronavirus
COVID-19
National
Programme



Rialtas na hÉireann
Government of Ireland

 ENTERPRISE
IRELAND



50% now available as a non-repayable
grant of up to €200,000

Funding of between
€100,000 and
€800,000 available

No repayments
for the first 3 years

Innovative Response

from Ireland



Ireland: 5th in the world for exports of Covid-19 related goods.



Source: OCED, Trade interdependencies in Covid-19 goods report, May 2020



The Brexit Challenge

BREXIT
January 1
2021



On January 1st, Brexit will become a reality and our trading relationship with Great Britain will change fundamentally. When the transition period ends, any business which moves goods to, from or through Britain will be subject to new customs procedures. Currency volatility and changes in UK market conditions could also effect Irish companies.

For more details visit:
www.prepareforbrexit.com

+ If you trade with the UK:



Get ready

Check your preparedness with our new Brexit Readiness Checker.



Get informed

Stay up to date with our Brexit Webinar Series, UK Market Insights and Sectoral Reports.



Get support

Access a €9,000 Ready for Customs grant and funding to research new markets or develop a Brexit Action Plan.



Northern Ireland
Government of Ireland



ENTERPRISE
IRELAND

Uptake of **€125m** in funding approved since 2018

Brexit Supports

Brexit

+ The new Ready for Customs Grant
€9,000 per full-time employee* to manage customs clearing

For more details visit
www.prepareforbrexit.com/readyforcustoms

*TSCs apply



ENTERPRISE IRELAND

FUNDING

€125m approved since 2018



ADVISORY

1,000 participants at Brexit Advisory Clinics

Evolve UK –Industry & Market Insights



TRAINING

1,500+ online customs training courses completed



BREXIT CAMPAIGN

1,200+ Companies have undertaken Brexit interventions

Brexit

Customs Supports



The new Ready for Customs Grant

€9,000 per full-time employee*
to manage customs clearing

For more details visit

www.prepareforbrexit.com/readyforcustoms

*T&Cs apply



Kláras na Míreana
Government of Ireland



 **ENTERPRISE
IRELAND**

€9,000 support



Client

Survey

Main response to Covid-19 Impact:

- + Remote working
- + Customer engagement
- + Virtual selling
- + Liquidity / finance

Main Investment Priorities:

- + Market diversification
- + Innovation and research
- + Competitiveness
- + Brexit readiness



Looking beyond 2020

Client Challenges and Opportunities



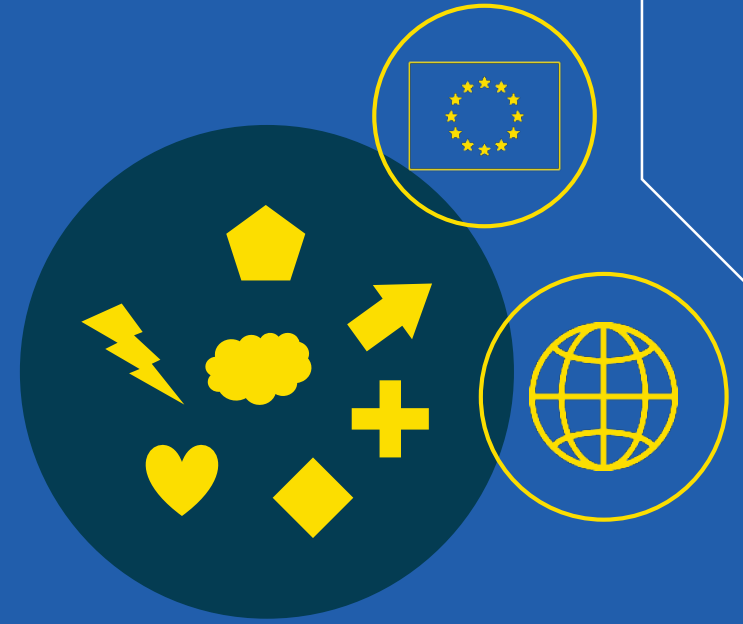
+
READY
FOR A NEW
WORLD

Challenges and Opportunities for EI Clients and Irish Enterprise in 2021



Regional imbalances and barriers to workforce participation

Extent and dynamism of Entrepreneurship & Start-Up base



Need for a greater scale and diversity across the enterprise base

1. Addressing Regional Imbalances & barriers to workforce participation



POWERING THE REGIONS

ENTERPRISE IRELAND
REGIONAL PLAN



BUILD SCALE



EXPAND REACH



DELIVER
GLOBAL AMBITION

[#GlobalAmbition](#)

Powering the Regions Strategy

REGIONAL PLAN



Maximise growth of Enterprise Ireland clients in the regions



Strengthen regional infrastructure to maximise future growth of Irish enterprise in the regions



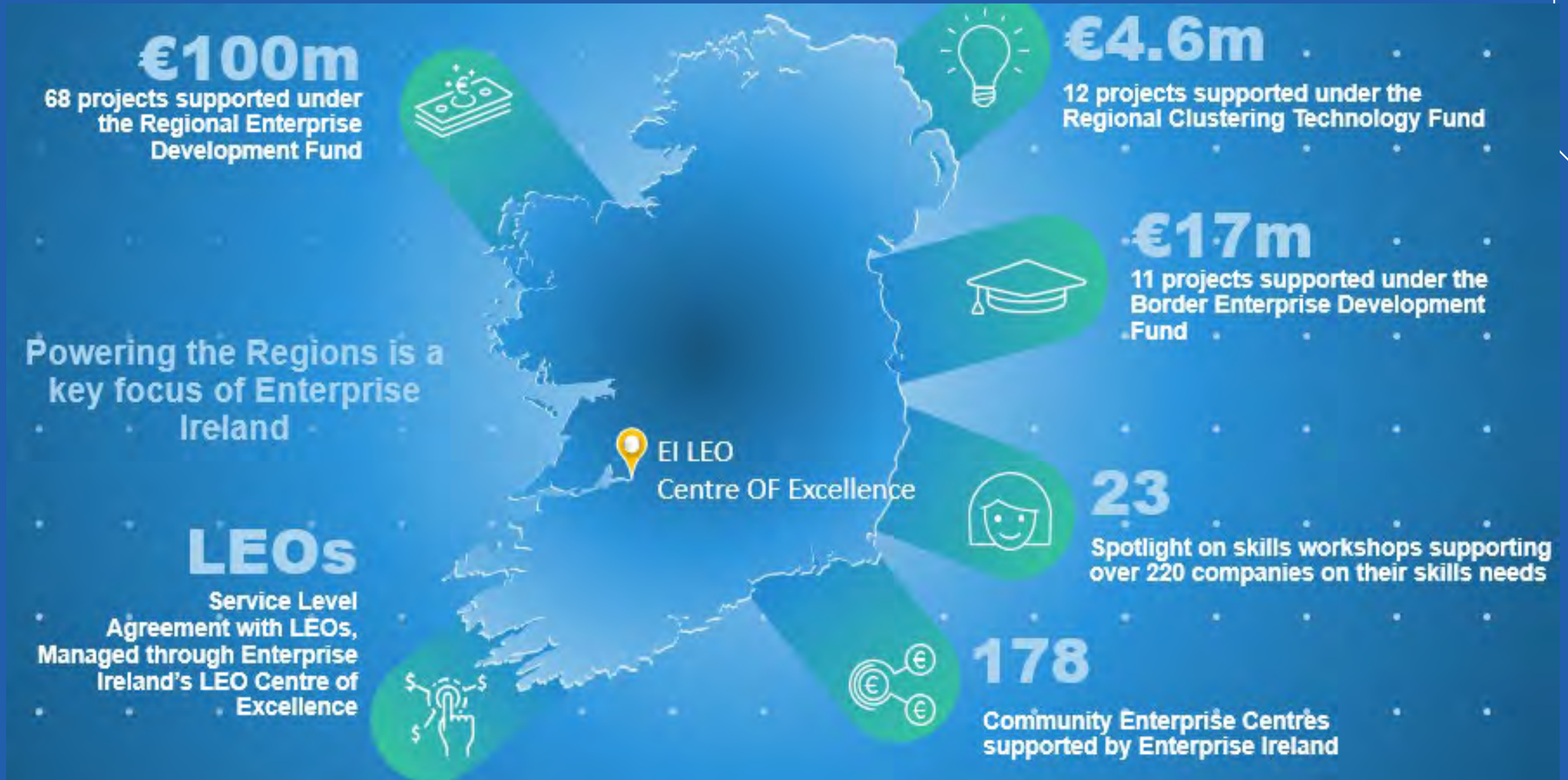
Support entrepreneurship in all regions



Work in collaboration to deliver regional growth

NATIONAL INITIATIVES	PRODUCTIVITY & RESILIENCE	ENTREPRENEURSHIP	CITIES & RURAL-URBAN DRIVERS	CO-WORKING	SECOND SITES	FOOD FDI
	<p>Drive a 30% increase in client companies' uptake of Enterprise Ireland's strategic supports including: Innovation, Market Diversification, Competitiveness & Environmental Aid.</p> <p>Build productivity and resilience helping companies to optimise growth opportunities and expand international reach.</p>	<p>Collaborate with the Local Enterprise Offices (LEOs) to grow microenterprise in every county in Ireland.</p> <p>Invest in and develop ambitious High Potential Start-Ups (HPSUs) in every region.</p> <p>Further develop Enterprise Ireland's Female Entrepreneurship Strategy.</p>	<p>Develop an action plan to optimise enterprise growth in our cities, rural and urban centres. Work in partnership with Local Authorities, Chambers Ireland, Atlantic Economic Corridor and the Western Development Commission to deliver innovation districts and new technology clusters. Work with LEO's to deliver 20% more start-ups.</p>	<p>Launch the new #Worksmart-challenge supporting 10,000 co-working and incubation spaces in regional locations.</p>	<p>Implement a new initiative to support 40 second site locations by Irish companies in the regions.</p>	<p>Deliver a collaborative strategy to deliver food foreign direct investment (FDI) in regional locations. Develop compelling value propositions for each region as destinations for food FDI.</p>

Balanced Regional Development



2. Dynamism in the Entrepreneurship base



The Formula for Start-Up Success

Enterprise Ireland's Roadmap
for High Potential Start-Ups

#GlobalAmbition



Enterprise Ireland's vision for High Potential Start-Ups (HPSU)

Develop the next generation of Ireland's business leaders and make Ireland a great location to start and scale export-led start ups



3. Need for Greater Scale & Diversity in the Enterprise Base

- OECD Review of SME and Entrepreneurship in Ireland published in 2019
 - expand Initiatives to support SME Internationalization
 - Increase the proportion of exporters from 6.3% in 2016 to 9.6% by 2025
 - Double the value of exports outside the UK
- Enterprise Ireland 'Powering the Regions' Regional Plan
 - 30% increase in uptake of key EI Supports – *Productivity & Resilience Pillar*
- **Ambitiona 2020 - 2025:**
 - Sustain and grow our client base
 - Increase productivity and resilience of our client base
 - Futureproofing our regions.

Increasing Diversity

Balance
for **Better**
Business

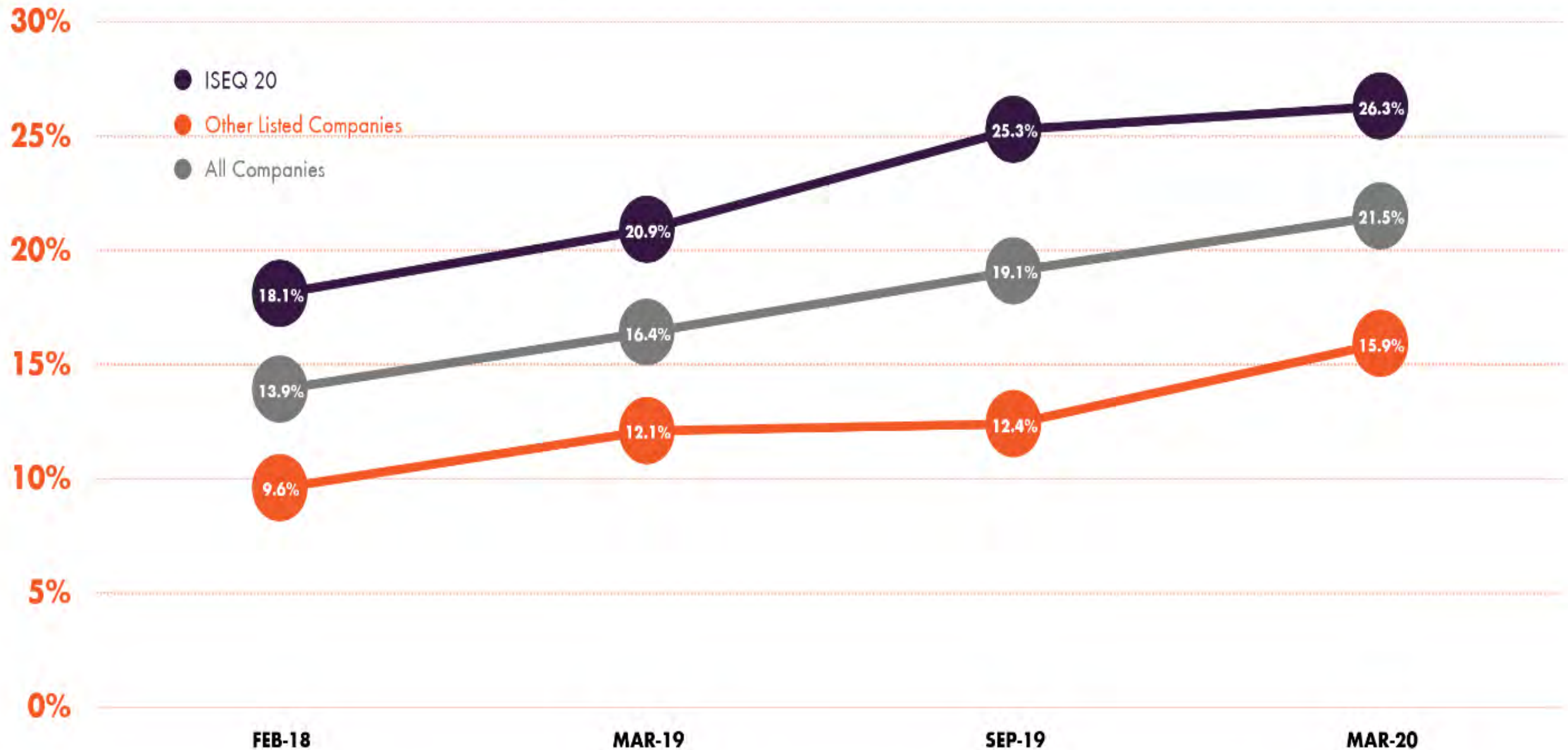


Achievements to March 2020

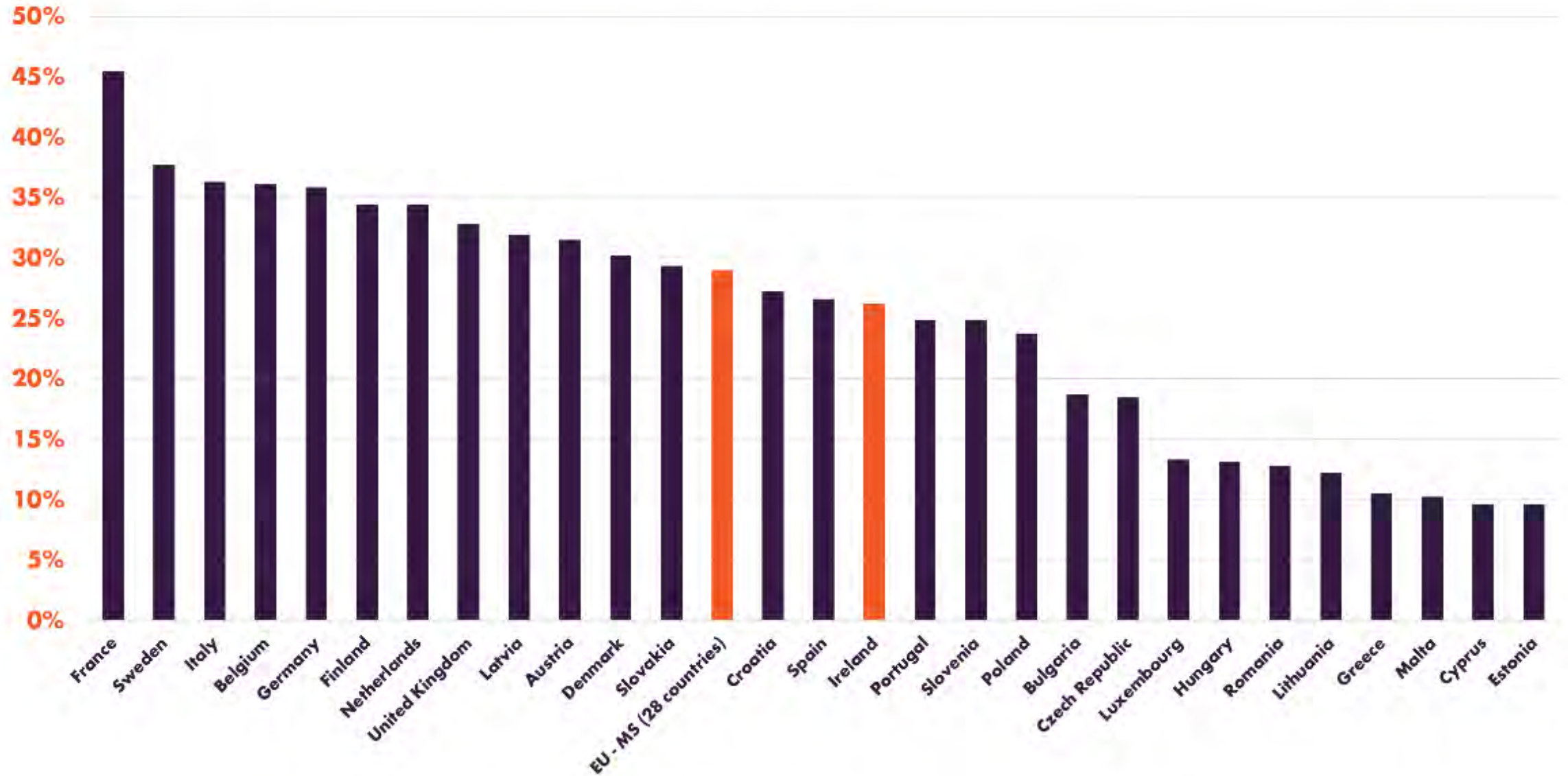
Overall, the percentage of women on listed company boards continues to improve:

- ➔ ISEQ 20 companies: now 26.3%, up from 25.3% in September 2019, and 18.1% when Balance for Better Business was announced in early 2018. This surpasses the interim target of 25% by the end of 2020 set by Balance for Better Business.
- ➔ Other listed companies: now 15.9%, up from 12.4% in September 2019, and 9.6% in early 2018.
- ➔ All listed companies: now 21.5%, up from 19.1% in September 2019, and 13.9% in early 2018.

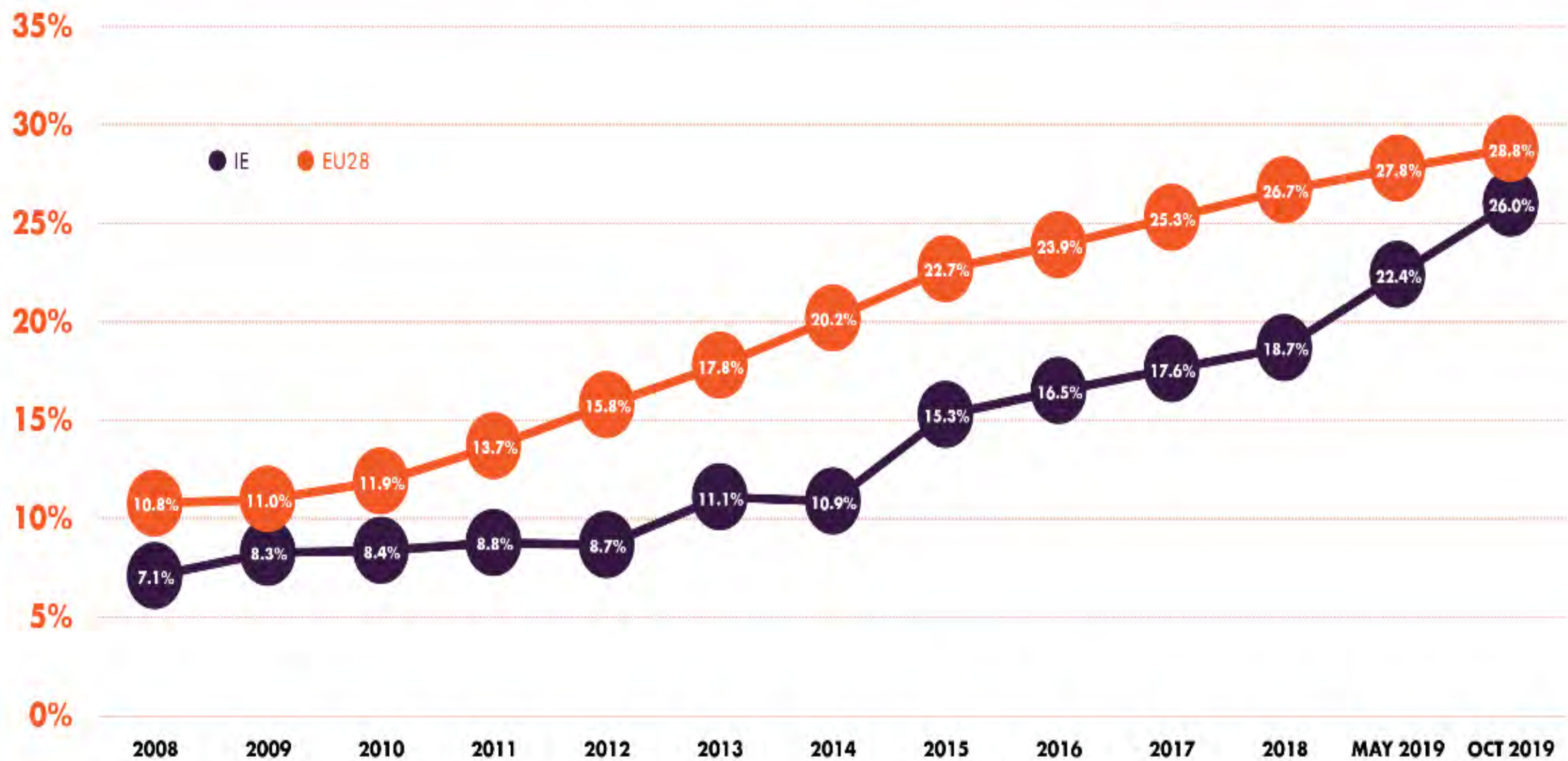
Increase in Female Directors of Listed Companies Feb 2018 – March 2020



Women on Company Boards for Largest Companies in the EU (Oct 2019)



Females on the Boards of the Largest EU Publicly Listed Companies 2008 – Oct 2019



Challenges

- ➔ There remain 11 all-male boards among all listed companies, four of which have appointed new Non-Executive Directors since September 2019, all of whom were male. Because of changes in the composition of the ISEQ 20, one of these all-male boards is now listed on the ISEQ 20, which has had a negative impact on the rate of progress in this group.
- ➔ The appointment of female executive directors is still a challenge. There were 10 male executive director appointments since September 2019, but no female appointments.
- ➔ The number of female Chairs and Senior Independent Directors remains low (at 6.8% and 26.7% respectively), showing little change since September 2019.

Enterprise Ireland's 2025 Ambitions

INCREASE THE NUMBER OF
women-led companies
growing internationally by

▲ **100%**

▲ **50%**

INCREASE IN
women participants
on start-up
programmes

▲ **50%**

INCREASE IN
Local Enterprise
Office supports to
women in business

INCREASE THE
PROPORTION OF
female founded High
Potential Start-Ups to

▲ **30%**

▲ **100%**

INCREASE IN
PARTICIPATION RATE OF
women on Enterprise
Ireland Management
Development
programmes

ENTERPRISE IRELAND 2020 ACTION PLAN
FOR WOMEN IN BUSINESS
Fuelling growth through diversity



ENTERPRISE IRELAND'S VISION

Ireland's economic success will be driven by optimising all our skills and talent through increasing the participation of women in entrepreneurship and business leadership by:

Issue a series of funding calls targeting women entrepreneurs and women researchers from third level institutions.

Offer increased one-to-one engagement to women-led companies to effectively support growth ambitions and expansion into new global markets.



Introduce a new grant for Enterprise Ireland supported companies to facilitate the recruitment of part time senior managers.

Develop, support and promote a national network of role models to interact with and inspire future entrepreneurs.

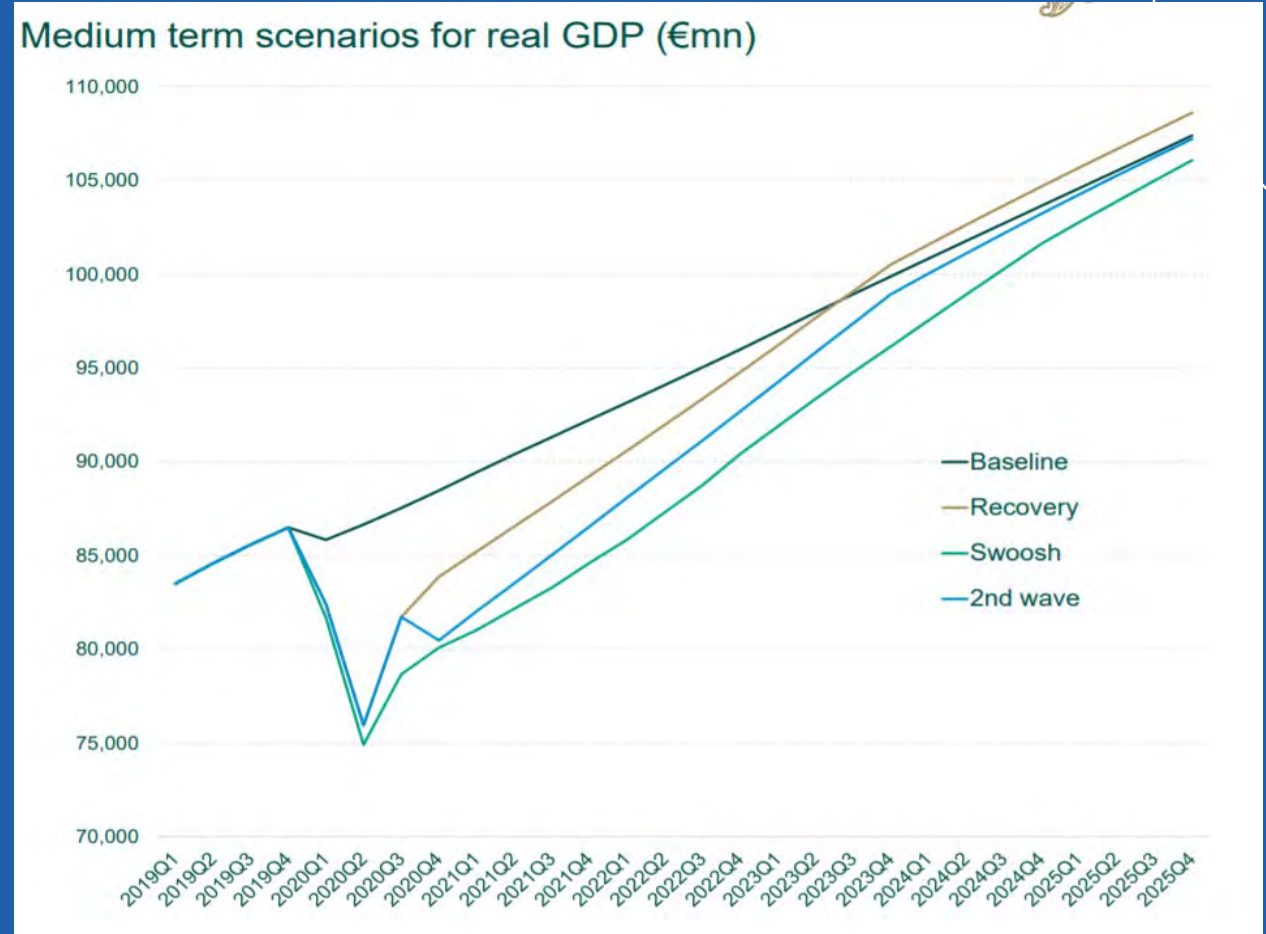
Economic Outlook

2021

The Department of Finance : Outlook is for very modest growth with a significant impact to traded sector expected from no-deal Brexit

Outlook for 2021

- Assumptions: i) bilateral trade between the UK and the EU will be on World Trade Organisation terms and ii) a widespread vaccination for COVID-19 will not be available
- A recovery in domestic demand (+ 3.5%) and employment (+145,000 jobs)
- GDP to grow by 1.4% - driven by assumption on EU-UK trade, where impact in first year will be mainly on traded sector
- Limited overlap in the sectors exposed to both Covid-19 and Brexit shocks



1

Strengthen Irish enterprise

to respond to market shocks and disruption in response to COVID-19 and Brexit

2

Drive Transformational Change and the Pace of Innovation

Transitioning to new business models, digitisation and the low carbon economy

3

Scale and Grow

the export and start-up base, across regions and sectors and companies of all sizes