

**SECOND GLOBAL IRISH ECONOMIC FORUM**  
**Progress Report - March 2012**

**Department of Foreign Affairs and Trade**



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## 1. Summary

The second Global Irish Economic Forum took place in Dublin Castle on 7 – 8 October, 2011. Some 270 members of the Global Irish Network attended the Forum. They were joined members of the Government, Secretaries General of Government Departments, CEOs of State Agencies, members of the Opposition and leading members of the Irish business and cultural sectors for a range of discussions on how the Diaspora can contribute to Ireland's economic recovery.

The Forum itself was marked by a high level of enthusiasm among the participants. Underpinning all discussions over the two days was a desire by participants to make a substantial contribution to three key Government priorities, economic renewal, job creation and the restoration of Ireland's reputation abroad.

The Report of the Forum notes the five overarching themes that emerged from the Forum's Working Groups, namely: **Re-envisioning Ireland; Re-establishing our Reputation; Re-energising Ireland; Re-engagement; and Reforming Ireland.** A copy of the Forum Report, along with a range of other information can be found at [www.globalirishforum.ie](http://www.globalirishforum.ie).

In response to the substantive, candid and focussed work undertaken by Forum participants, both the Taoiseach and Tánaiste pledged to ensure that a robust implementation plan was put in place to deliver progress on key areas by March, 2012. Having reviewed the outcomes of the Forum, the Government endorsed a range of initiatives for priority delivery. These priorities focus on job creation, inward investment, support for our SME and export sectors and enhancing our international reputation.

This Progress Report sets out the current position in respect of the priority initiatives. The Report makes clear that the Government has followed through on its firm commitment to deliver a follow up process that produced real results in the first six months after the Forum. Among the areas where we have seen significant progress since October 2011 are:

- the attendance by the Taoiseach, Tánaiste and Minister for Jobs, Enterprise and Innovation at the *Invest in Ireland Roundtable* hosted by President Clinton in New York on 9 February. On the same day, it was announced that almost 500 new jobs were created by three leading US based IDA clients;

- the establishment of a formal Advocacy system and the appointment of Advocates in key regions to work with our Missions and State Agencies in targeted sectors;
- with job creation a key focus of participants at the Global Irish Economic Forum, the Government's Action Plan for Jobs 2012 clearly identifies the important contribution Global Irish Network members can make to Ireland's economic renewal. A number of elements contained in the Action Plan were advocated and supported by Forum participants including:
  - the development by Enterprise Ireland of a programme to facilitate members of the Global Irish Network contributing to the mentoring, coaching and sponsorship, of Irish companies; and
  - the provision of support for indigenous small businesses to access to capital, in particular micro-financing;
- significant progress has also been made in respect of a number of initiatives closely aligned with the Forum and the Global Irish Network, including:
  - The Gathering, a year-long programme of events in 2013;
  - a World Actors Forum, 'a Davos for the Arts', in 2013;
  - "Succeed in Ireland"; a programme which provides direct incentives to members of the diaspora and others across the world to create jobs in Ireland;
  - the introduction of specific visa initiatives to improve access to Ireland for those seeking to study and do business here;
  - the establishment of a new mechanism for recognising significant contributions to Ireland and Irish communities abroad by members of the Diaspora; and
  - the development of a scheme to provide placements for Irish graduates in firms linked to Global Irish Network members.
- early decisions in respect of the programme of Ministerial travel for St Patrick's Day, 2012 to facilitate maximum advance preparation of activity in each location;

- in addition to the Government's programme to provide access to capital for small business, members of the Global Irish Network are developing a complementary loan guarantee scheme, known as Síol;
- the establishment of a Strategic Communications Unit to be based in the Department of the Taoiseach;
- the introduction of a number of mechanisms to strengthen the capacity of the Global Irish Network including:
  - regular communications from the Taoiseach and Tánaiste to members of the Network to alert them to the decisions taken and progress being made;
  - a decision by the Export Trade Council to formalise Global Irish Network involvement in Trade Missions; and
  - the establishment of an Advisory Group for the Global Irish Network;

This outcomes-focussed approach clearly demonstrates that the Government moved quickly to ensure that the energy and determination shown by participants at the 2011 Global Irish Economic Forum has been translated into actions by Government Departments and State Agencies.

From the Investment Forum hosted by President Clinton through to the actions set out in the Action Plan for Jobs, it is abundantly clear that the key role the Diaspora can play in supporting the Government's economic renewal agenda is widely recognised. The Government also welcomes that the Global Irish Network have been proactive in progressing a number of outcomes. The work being undertaken by the Advocates and establishment of a private sector SME funding scheme are testament to the drive and creativity of our global community and concrete examples of their facility to contribute.

However, hosting investment fora, appointing Advocates or releasing Action Plans are only initial steps. The Government remains committed to ensuring that the outcomes of the Forum evolve and develop and continue to contribute to the Re-envisioning of Ireland, to Reforming Ireland, to Re-energising Ireland, to Re-establishing our reputation and to facilitating our Re-engagement with the global community. In short, to be successful, the Forum must be able to demonstrate its contribution towards the Taoiseach's stated objective that by 2016 Ireland can clearly show that it is the best small country in the world in which to do business.

The Government looks forward to an ongoing partnership with the Global Irish Network and the wider Diaspora as it works to achieve that objective.

Department of Foreign Affairs

9 March, 2012

## 2. RE-ENVISIONING IRELAND

Forum participants drew on the Taoiseach's idea of building an Ireland that by 2016 will be the best small country in the world in which to do business in; the best small country in which to be a tourist; the best small country in the world in which to experience culture and the best small country in the world in which to produce and export food. Ireland can be a world leader in sectors such as food export, green economy, entrepreneurship, innovation and culture. Participants called on the Government to value and encourage entrepreneurship and innovation and to enhance our focus on attracting Foreign Direct Investment Start-Ups where foreign entrepreneurs – who may or may not have ties to Ireland – would be encouraged to see Ireland as a place to start their business.

### **Supporting Irish Companies and Creating Irish Jobs**

The need to create the right conditions for job creation was a key focus of the Forum. The Government fully endorses the view of participants on the need to support innovation and entrepreneurship and has put in place a range of measures aimed at supporting the SME sector and creating a vibrant environment for business start-ups - indigenous and international. The Action Plan for Jobs 2012 contains a range of provisions including a micro-finance fund, a temporary partial credit guarantee scheme and other measures aimed at improving access to credit for SMEs.

The Temporary Partial Credit Guarantee Scheme will provide a 75% guarantee to banks against losses on qualifying loans to SMEs, thereby enabling SMEs to access sufficient credit to maximise growth potential and job creation opportunities. The scheme has been designed and an operator selected. The scheme will go live as soon as possible following enactment of the legislation in Q2 2012.

The Micro Finance Fund is designed to stimulate lending to sustainable microenterprises and is targeted at start-up, newly established, or growing micro enterprises across all industry sectors, employing not more than 10 people. It will provide loans of up to €25,000 for commercially viable proposals that do not meet the conventional risk criteria applied by commercial banks. The Government have approved an allocation of €10 million as start-up seed capital for the Fund.

Under the European Investment Fund (EIF), capped guarantees may be provided to eligible intermediaries partially covering their portfolios of micro-loans, or guarantees on micro-loans granted to micro-enterprises. The guarantees provided are intended to mitigate bad debts incurred in the lending operations. When established, the Microfinance Fund will apply to the EIF for such a guarantee. Following completion of due diligence and award of intermediary status, the Scheme will go live, subject to completion of all administrative and corporate governance requirements, in Q3.

The Government have also introduced a number of initiatives which, while not specifically referenced in the Forum Report, are closely aligned with the goals of the Global Irish Economic Forum and the Global Irish Network, including:

- the establishment a new Potential Exporters Division in Enterprise Ireland (EI) to identify more and better support for indigenous exporters;
- up to €1.2m in extra funding for mentoring and management development networks;
- increased mentoring of SMEs by top business leaders, multinationals and large Irish companies; and assisting small businesses to engage in R&D and innovation;
- the launch of the 'Succeed in Ireland' scheme, which provides direct incentives to members of the diaspora and others across the world to create jobs in Ireland;
- the launch of a €10 million International Start-Up Fund, aimed at encouraging overseas entrepreneurs to locate start-up businesses in Ireland. The fund, which is administered by EI, is open to company promoters anywhere in the world, but will be targeted particularly at the Irish diaspora, the "New Diaspora" (people from overseas who have previously worked or studied in Ireland), as well as serial and mobile entrepreneurs; and
- the appointment by EI of a number of high profile successful Irish entrepreneurs to act as International Start-up Ambassadors. To date, Dylan Collins and Paul Kenny, both experienced entrepreneurs, have accepted the role of Fund Ambassador covering the UK and the Middle East and North Africa respectively. Further appointments in key markets such as the US and China are planned for the coming year.



**The Gathering 2013**

The Gathering 2013 – a year long programme of events and gatherings across Ireland, driven by arts, sports, business and community groups and supported by tourism bodies which was launched by the Minister for Transport, Tourism and Sport at the Global Irish Economic Forum - aims to attract some 325,000 extra visitors to Ireland in 2013. €5 million has been earmarked by the Government to support the initiative in 2012 with further funding envisaged for 2013.

The initiative provides an opportunity for Ireland to engage with its global community, promote pride in the country and help stimulate economic recovery. The Gathering concept also has the important secondary objectives of building sustainable social capital and enhancing civic engagement as many of the initiatives will be driven by local communities and organizations.

A project board established by Fáilte Ireland and chaired by Ann Riordan will include business, academic, arts and State Agency representation to take the concept forward with a view to an international launch during 2012 St. Patrick's festivities. The project board will be assisted by a voluntary Council of Champions, chaired by Tim O'Connor, with the networks (including the Global Irish Network) and expertise to activate support and enhance the capacity of the Gathering through strategic fundraising, advice and guidance.

**A World Actors Forum**

While Forum participants acknowledged Ireland's literary and theatre past, they also looked to the future of entertainment with the concept of a World Actors Forum – a "Davos for the Arts" - receiving support. It is proposed to convene the event in 2013 (instead of 2014 as set out in the Forum report) and a working group has been convened with representation from the Department of Arts, Heritage and the Gaeltacht, the Gate Theatre, the Irish Film Board and Culture Ireland.

### 3. RE-ESTABLISHING OUR REPUTATION

Re-establishing our reputation on the international stage was a core theme of the Forum as was making Ireland “considerable in the world’. However, it was clearly the view of participants that Ireland’s reputation should be well-founded and sustainable, not merely based on how we would like to be seen but on evidence of what we do and how we do it.

#### **Establish a formal Advocacy System and appoint Advocates in key markets**

At the Forum, 130 participants signed up to assist the Government in a number of sectors and a Register of Advocates has now been established in the following areas: Foreign Direct Investment; Tourism; promoting Irish businesses abroad; and the promotion of Irish culture. The Registers for the Banking/Financial Services and Reputational Enhancement will be finalised shortly.

The Government’s Action Plan for Jobs 2012 also clearly identifies the important role Global Irish Network Advocates can play in securing greater investment in Ireland. Working with Irish Government Departments and the State Agencies, the Advocates will play a key role in facilitating high level access for the Government and Irish companies; spreading our key messages in board rooms and media markets and undertaking specific project work. Our Missions are engaged with Advocates including in relation to the Clinton investment initiative and the preparation of the 2012 St Patrick’s Day.

#### **Maximise the Potential of St Patrick’s Day Abroad**

Noting the view of Forum participants that early decisions on Ministerial visits abroad facilitates enhanced programmes, the Government agreed the strategic list of target locations for Ministerial visits in advance of Christmas. These visits will be focussed on delivering a common set of key messages in all of Ireland’s priority markets. Inter-Departmental/inter-Agency planning has been significantly enhanced to ensure that the invaluable opportunity presented by St Patrick’s Day is maximised. Participation by members of the Global Irish Network in Ministerial programmes has also been enhanced.

**Formalise Global Irish Network involvement with Trade Missions**

Participants in the Forum indicated that they were happy to support trade missions but requested greater input into the planning and delivery. In particular, local network members can bring added value by highlighting local customs and traditions and providing market intelligence.

On 16 February, the Export Trade Council, which is chaired by the Tánaiste, requested Local Market Teams to consider, where appropriate, the involvement of Global Irish Network members when planning and organising activities in their respective regions. The members of the Export Trade Council, in particular the Ministers present and CEOs of the State Agencies, agreed to take into consideration at an early stage of planning, the potential advantages in involving Global Irish Network members in trade missions and other Ministerial visits.

**Establish a Strategic Communications Unit in the Department of the Taoiseach**

Led by the Taoiseach, the Government has developed a consistent message for enhancing our reputation abroad and continues to take every opportunity to ensure that key decision makers across the world are aware of the positives emanating from Ireland and our economic recovery. A Strategic Communications Unit which will be established in early 2012 will support the Taoiseach and the Government in this role.

**Maximising our Natural Resources**

Forum participants also recognised the role our natural resources can play in promoting Ireland's image and considered how best we can take ownership of the Green Brand.

Recognising the strength of Ireland's agri-food sector, there was strong support for the appointment of food ambassadors. The Department of Agriculture, Marine and Food and Bord Bia are working towards establishing a global food network comprised of food ambassadors supported by Regional Food Councils.

Tourism Ireland and the Irish Film Board continue to work together in leveraging the tourism opportunities arising from Irish films and international films shot in Ireland. In 2012, both organisations cooperated to ensure that *Ek Tha Tiger*, a major Bollywood film, was shot in Ireland. Dublin will be portrayed as a modern and vibrant city, rich in history and culture with scenes shot in Trinity College, Temple Bar and other locations around the city. The film, which will ultimately be released in 24 countries and reach an expected audience of over 100 million people, should significantly boost awareness of Ireland, especially among India's growing middle class, who have the potential to come visit Ireland as tourists.

The Government's recently published Action Plan for Jobs also includes specific actions aimed at building on a number of the green initiatives raised at the Forum.

#### 4. RE-ENERGISING AND RE-ENGAGING

The need to (re)energise Ireland was seen as critically important given the country's economic experience in the previous two years. A number of sectors were seen as particularly vital engines of such a re-energisation including tourism and the creation of an investment environment which encouraged FDI start-ups. Forum participants also recognised the contribution they could make to assisting with the Government's efforts to re-engage with our friends and key decision makers overseas. Re-engagement requires a structured mobilisation of the Diaspora which could be effective in areas such as mentoring, offering placements and internships, developing an investment vehicle through which the diaspora could provide seed funding for Irish business; and in communicating positive messages.

##### **Support and Participate in the Investment Forum hosted by President Bill Clinton**

On 9 February, the Taoiseach, Tánaiste and Minister for Jobs, Enterprise and Innovation attended the *Invest in Ireland Roundtable* hosted by President Clinton in New York. The Roundtable focussed on engaging with key business and economic leaders and in encouraging those who have not already invested in Ireland's economic recovery to do so. President Clinton addressed delegates at the start of the meeting, highlighting the positive attributes of Ireland as a location for investment. Following the Roundtable, the Taoiseach, Tánaiste, Minister Bruton and President Clinton also addressed a gathering of some 100 people from the Global Irish Network and other influential friends of Ireland.

On the same day as the Invest in Ireland Forum, it was announced that almost 500 new jobs were created by 3 leading US based IDA clients. The jobs being created will be spread across Ireland, with ICT giant HP investing €45 million in a research and development expansion which will create up to 280 jobs at its Galway and Kildare operations; Abbott Pharmaceutical investing €85 million in a strategic expansion at its Sligo pharmaceutical plant with the creation of 175 new jobs.; and Big Fish Games expanding its Cloud Gaming Research and Development initiative in Cork with the creation of 30 highly skilled jobs.

**Support by Global Irish Network members, in the form of Mentoring, Coaching and Sponsorship to Irish companies.**

Action 3.3 in the Government's Action Plan for Jobs 2012 includes a commitment to involve top business leaders from Ireland and internationally, to act as mentors to businesses; to engage the Diaspora to support potential and existing exporters; to examine the adoption of SMEs by multi-nationals; and to explore the leveraging of input or advice by experienced executives who have established successful businesses to companies in Ireland.

The Government strongly supports the establishment of a mentoring programme for Irish companies involving members of the Global Irish Network and Enterprise Ireland has made significant progress in developing a suitable programme.

**Develop a Global Irish Network Overseas Graduate Placement Programme**

During the Forum, a number of participants undertook to provide placements for Irish graduates in their companies. The Department of Foreign Affairs & Trade has met with Enterprise Ireland and a number of regional partners, and an outline framework has been developed. The Department will issue a tender in April seeking to engage a private sector service provider to manage and promote the programme. Network Members have also been asked to clarify the number of placements available and the terms attached to the positions.

Enterprise Ireland graduate placement scheme, Graduates for International Growth (G4IG), focuses on matching graduates with Irish companies seeking to develop in international markets.

The Singapore based Farmleigh Fellowship programme has begun its 2012 programme. In addition, they expect to shortly announce details of their pilot internship program - the Global Irish Internship Program (Asia).

**Develop a framework, based upon the Israeli Koret model, to encourage Diaspora investment into Ireland for small businesses and start ups.**

A proposal from the private sector consortium made up of participants from the Global Irish Economic Forum is being developed. The participants in the scheme, known as Síol (Seed), will issue further details in due course.

**Ongoing Communications with Global Irish Network Members**

In addition to the universal desire among participants for timely implementation of the ideas that emerged from the Forum, participants also wished to be kept fully informed of developments.

In response to this request, the Taoiseach and Tánaiste have started to issue a regular letter to participants. The short e-mails provide a vehicle for updating Global Irish Network members on economic developments in Ireland and the progress being made in respect of the Forum's outcomes. The first newsletter issued in December, 2011 shortly after the Budget and the second issued in early February, 2012. A third newsletter is scheduled to issue in mid-March.

**The Advisory Group for the Global Irish Network**

The Government has approved the Tánaiste's proposal to establish an Advisory Group for the Global Irish Network which will be co-chaired by the Taoiseach and Tánaiste and include officials from key Government Departments and Global Irish Network members from each of the main geographic areas represented at Dublin Castle. This group will be charged with coordinating the overall work programme for the Global Irish Network.

Non-Government representatives will also be tasked with working with our Ambassadors in keeping the wider Network membership informed of developments.

Details of those who have agreed to act on the Group will be released shortly.

### **Diaspora Recognition**

In his opening address to the Forum, the Tánaiste announced the Government's intention to introduce a new system of recognition for sustained and distinguished service to Ireland or Irish communities abroad by individual members of the Diaspora.

It is proposed that nominations will be considered by a high level panel which will make positive recommendations in respect of no more than 10 individuals from the Diaspora in any one year from the following areas: community development; culture; charitable works and philanthropy; business; and peace and reconciliation. In order to be eligible for consideration, nominees will be required to have a track record of actively and demonstrably contributing to Ireland and/or Irish communities abroad over a number of years.

Full details of the scheme will be announced shortly.



## 5. REFORMING IRELAND

Reforming Ireland is seen as a foundation of the previous four pillars and a range of reform initiatives the Government could consider to enhance business and job creation opportunities were highlighted at the Forum.

### **Reform the Visa System to make it easier to work in and visit Ireland**

Reform of the visa system was a pervasive theme across a number of working groups. In particular, participants emphasised such reform in the context of bringing new talent and expertise into the country and in attracting students from overseas.

The Irish Short Stay Visa Waiver Programme commenced on 1 July, 2011 and was scheduled to run on a pilot basis until the end of October, 2012 taking in the period of the London Olympics. However, given the extremely positive response from the tourism promotion agencies and operators, which included a number of Indian and Gulf tour operators adding Ireland to their European itineraries for the first time, the Government, has now extended the programme for a further four years.

Recognising the need to attract individuals with a successful background in business to invest in and relocate to the State, the Minister for Justice Equality and Defence announced on 24 January the introduction of two new immigration initiatives - The Immigrant Investor Programme and The Start-up Entrepreneur Programme - aimed at facilitating migrant entrepreneurs and investors who, in return for permission to reside in the State, are prepared to invest here for the purpose of saving or creating jobs.

**Diaspora 2016**

During the Forum, the Silicon Valley based Irish Technology Leadership Group announced an initiative to provide a list of 100 highly qualified business leaders from across the globe who have volunteered to serve pro bono on relevant Irish state boards.

The Government has appointed non-residents to vacancies on State Boards, including members of the Global Irish Network, as appropriate and on a case by case basis. The Government will continue to consider the appointment of suitably qualified members of the Diaspora to State Boards, including those who may be members of the Global Irish Network and other initiatives such as Diaspora 2016.