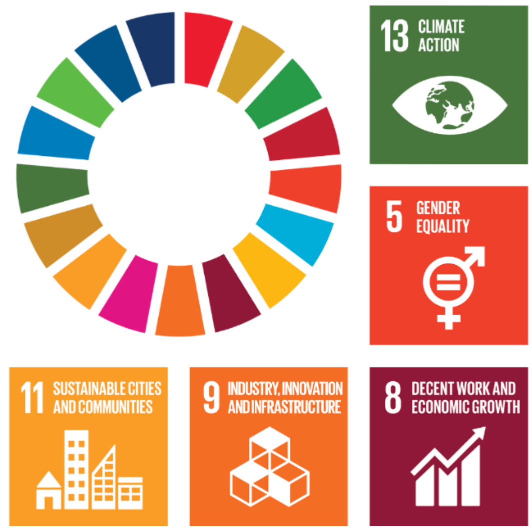

Chambers Ireland
Advancing business together

Public consultation on the preparation of Enterprise 2035

Submission by Chambers Ireland

September 2026

Contents

About Chambers Ireland

Chambers Ireland is an all-island business organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

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Ireland's Current Enterprise Environment

In our submission in 2022 for the White Paper on Enterprise[1], our primary message was that the State's enterprise policy had been very successful at attracting multinational investment and, while this should continue to be a strategic focus, the next phase must be broader and more expansive.

Part of our message for the previous White Paper focussed on rectifying infrastructure constraints, the need to strengthen indigenous businesses and the opportunities to exploit emerging opportunities in green energy, trade, cybersecurity and creative industries.

While all of these priorities remain relevant, we have seen growth and development in certain sectors, as well as sweeping social, economic and geopolitical changes that warrant a refreshed approach and a longer-term vision.

Labour Market:

Ireland has moved from post-Covid labour market recovery to increasing capacity constraints. Employment reached 2.84 million in Q2 2026, 19% above Q4 2019[2]. While unemployment has begun to rise gradually, the scope to expand the labour force indefinitely is limited. Productivity growth must therefore become a greater strategic priority.

Demographics reinforce the case for a Strategy led by productivity. Population growth continues to outpace estimates, surpassing 5.52 million ahead of schedule, and is now expected to reach between 5.7 and 6 million by 2035. However, our population will be significantly older and include slower growth in the working-age cohort. The old-age dependency ratio is also projected

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[1] Chambers Ireland, Submission to the Department of Enterprise, Trade and Employment for the White Paper on Enterprise Policy Consultation (July 2022) - Link

[2] CSO, Labour Force Survey Q 2 2026

to rise from 25.6% in 2022 to 32.6% in 2035. With less scope to rely on expanding labour supply, improving productivity levels will be increasingly important to sustaining growth.

Economic Performance:

Ireland's economic performance remains strong. Modified GNI* reached approximately €334 billion in 2025, with real GNI* increasing by 4.7%. Ireland's FDI model also remains a major strength, with IDA client employment reaching 312,468 in 2025, which is up 1.5% year on year[3]. Despite these strong macroeconomic indicators, the benefits have not translated into tangible gains for many businesses on the ground. The international environment is considerably more turbulent and competitiveness has risen up the policy agenda as a response to those changes. The cost of doing business and constraints in infrastructure, housing and energy all combine to significantly affect growth and investment.

AI and New Technologies:

New technologies including AI are rapidly reshaping business models. As mentioned above, these technologies have the potential to drive productivity if we can ensure businesses of all sizes, sectors and regions can be supported to harness its potential. Foreign sector labour productivity has averaged €452.98 per hour since the beginning of 2023, while domestic sector labour productivity is averaging €58.75 per hour over a comparable period[4], strengthening the argument for a focus on productivity. While in 2022 the question may have been whether Irish SMEs are digitally enabled, today the question should focus on how we support businesses to use new technologies to fundamentally transform how they operate and compete. This represents a core shift in priorities from digital adoption to digital transformation.

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[3] IDA Ireland, Annual Report and Accounts (2025) - Link

[4] CSO, Productivity in Ireland Quarter 4 2025 (April 2026) - Link

Capacity Constraints:

Housing shortages, energy and grid constraints, water and transport infrastructure deficits, limited childcare spaces, and constrained skills availability are all increasingly relevant to businesses decisions in investing and growing in Ireland. These challenges cannot be addressed through enterprise policy alone

Climate Action and Sustainable Development:

Significant progress has been made in embedding climate action and sustainable development within economic policy. Legally binding carbon budgets and sectoral emissions ceilings are now in place, while successive Climate Action Plans have established a framework for achieving climate neutrality by 2050. While emissions have fallen for four consecutive years - including a further 2.2% reduction in 2025 - we are still a long way off however from meeting our EU target of a 51% reduction in greenhouse gas emissions by 2030, with the figure standing at a 14.5% reduction as of 2025[5].

In addition, greater leadership on sustainability is required. In response to growing political polarisation and scrutiny of ESG and DEI initiatives, some companies are adopting a lower-profile approach—continuing to embed sustainability, inclusion and responsible business practices in their operations while placing less emphasis on publicly promoting or labelling those activities. This represents a shift in corporate communications rather than necessarily a retreat from the underlying commitments.

[5] EPA, Ireland's Greenhouse Gas Emissions Report (July 2026) – Link

As businesses will be central to delivering the green transition, Enterprise 2035 should sustain Ireland's climate ambition while ensuring that policy measures are proportionate and support competitiveness.

Cost of Doing Business

Significant cost pressures, alongside the introduction of increasingly complex sustainability reporting and due diligence requirements, have generated concern about the cumulative regulatory and administrative burden, particularly for SMEs and businesses within larger companies supply chains. The EU's focus on simplification and reducing the scope of reporting requirements reflects these concerns but gold-plating remains a significant concern and is not conducive to completing the Single Market which holds back businesses from utilising the significant opportunities on our doorstep.

Geopolitics:

European businesses currently find themselves confronted with a complex combination of unfavourable conditions linked to the volatile geopolitical context. This context is characterised by Russia's unprovoked aggression towards Ukraine, heightened tensions in the Middle East, Transatlantic trade uncertainty, a soaring trade imbalance with China and a multilateral trading order that is under severe strain. The European response is slow, confused and disjointed, undermined by short-term political expediency at national level and complex, unwieldy EU decision making procedures. The situation doesn't impact internationally active businesses only, it impacts all of them, regardless of size or sector. For Ireland, these developments reinforce both the importance and the vulnerability of our open economic model. However, our ability to attract foreign direct investment, participate in global value chains and access EU and international markets remains a fundamental strength that should be protected.

What should Ireland's enterprise economy look like in 2035?

Enterprise 2035 presents a significant opportunity to implement meaningful and tangible support for businesses. It should build on the strengths of our existing enterprise model while addressing the vulnerabilities and constraints that have become more apparent in recent years.

The objective should not be to move away from Ireland's successful open, FDI-led model but to deepen its benefits by strengthening indigenous businesses, improving productivity and facilitating the conditions required for them to grow. Achieving this will require a coherent, whole-of-government approach that treats competitiveness as a shared responsibility across policy areas.

We have outlined priority principles that should be integrated in the new Enterprise Strategy to ensure future success out to 2035:

1. Protect Ireland's international competitiveness and FDI proposition.
2. Support indigenous businesses to become more productive, innovative and international.
3. Facilitate and develop regional growth.
4. Reduce the vulnerability created by concentration in a small number of multinational-dominated sectors.
5. Make infrastructure, housing, energy, skills, and childcare provision central to enterprise policy.
6. Position Ireland to proactively and responsibly utilise AI and emerging technologies.

Build infrastructure delivery into the enterprise strategy's accountability framework.

While infrastructure development has been a core priority of government over recent years, the lack of progress on critical infrastructure has significantly constrained our competitiveness. Infrastructure is consistently reported as the primary growth priority for every member in our network right across the country and is a core consideration in investment going to other jurisdictions that have the infrastructure in place to support them. In addition, the lack of infrastructure constrains housing delivery which severely constrains employees from living near their place of work. By extension, the costs of this deficit are twofold; it drives up wage demands and increases emissions while employees are spending salaries on fuel costs and increasingly spending longer times commuting and not using public transport to get to their place of work. While the revised National Development Plan committed €275.4 billion between 2026 and 2035 to unlocking housing delivery, upgrading water and energy infrastructure, and improving connectivity, these commitments should also be highlighted in the new Enterprise Strategy to reaffirm business dependence on these strategic projects.

Improve the cost competitiveness of Irish enterprise.

Greater emphasis should be placed on reducing the costs associated with doing business in Ireland, particularly for SMEs. Rising energy, labour, regulatory and operating costs are increasingly affecting business ability to invest and compete. The strategy should introduce a stronger SME test accounting for this. The Cost of Business Advisory Forum Report[6] that was published last month defined a roadmap of solutions to tackle business costs and we should start with implementing each of its 63 recommendations; many of which are future-focused and will take a considerable amount of time to implement.

Create a financing platform that will support indigenous businesses to scale.

In 2024, Enterprise Ireland invested 27.6 million in 157 start-ups through its HPSU and Pre-Seed Start Fund[7]. If we want to create the next generation of Irish-owned companies capable of generating economic footprints of scale, we need to be extending the net wider to offer more businesses financial support and access to a wider range of finance.

[6] Cost of Business Advisory Forum Final Report (July 2026) - Link

[7] Enterprise Ireland, €27.6 Million Invested Start-Ups in 2024 (August 2025) - Link

Enterprise 2035 should create a clear finance pathway for more Irish-owned businesses as they grow from early-stage exporters to internationally scaled companies. This should bring together public investment, loan guarantees, venture capital and long-term equity, with government support focused on addressing gaps in private finance and encouraging private investment.

Measures such as EIIS, KEEP, accelerated capital allowances among others should be retained, modernised and utilised. We would welcome further reforms and expansions of such schemes to maximise their reach.

Establish a dedicated SME Skills Fund within the National Training Fund.

The National Training Fund is a strategic national asset. In recent years, the combination of the Covid-19 pandemic and the fast rise in employment, meant spending did not keep pace with the accumulation of contributions from employers. With the funds ringfenced, there is an opportunity to develop an SME Skills Fund that provides fully subsidised and employer-led upskilling and reskilling supports for SMEs that can deliver transformational change of our businesses and our workforce.

Simple, flexible training models including greater use of short courses and micro-credentials that can adapt quickly to technological change. Priorities should include AI, cybersecurity, digital and green skills, as well as management and other workplace capabilities. The fund should be designed around the practical realities facing SMEs, including limited time and resources to engage with training. It should also support collaboration between employers and training providers to develop programmes that meet real and emerging business needs. This would make better use of the fund while helping SMEs improve productivity, adopt new technologies and retain and develop their workforce.

Childcare

Affordable, accessible and high-quality childcare is essential economic infrastructure and a key enabler of workforce participation. Enterprise 2035 should treat early years and school-age childcare as a competitiveness priority, supported by a multi-annual investment framework that reduces costs for families, expands capacity and places providers, particularly SMEs, on a sustainable footing through adequate core funding. Provision should also better accommodate children with additional needs and disabilities and reflect the practical working patterns of parents. These measures would help more parents remain in or return to employment, broaden labour supply and support businesses in recruiting and retaining talent.

How can Ireland strengthen innovation and the commercialisation of new technologies across enterprises of all sizes?

The objective to 2035 should be to become the leading location in the EU for converting research, technology and enterprise capability into commercially successful products, services and productivity gains.

While the current model is strong, it is nonetheless concentrated. This is seen most in the fact that foreign-owned enterprises accounted for almost 84% of R&D expenditure in 2023, while the ten largest accounted for almost 58%.[8] In addition, structured adoption of artificial intelligence reached 20.2% of businesses in 2025 but ranged from 57.7% among large firms to 17.2% among small firms.[9]

Accordingly, the challenge is broader than generating frontier research and instead the focus should be on diffusing technology more rapidly through SMEs and established indigenous companies where productivity can be improved. As mentioned above, using the National Training Fund in this regard will be central to ensuring those companies have the requisite skills and capabilities to utilise these technologies optimally.

The following recommendations should guide the Strategy for the next eight years:

Create a National Technology Diffusion Service.

Enterprise Ireland, the Local Enterprise Offices, Technology Centres, European Digital Innovation Hubs and regional Chambers should operate through a common front door. There is scope to expand offerings in the National Enterprise Hub,[10] by facilitating participating businesses in

[8] https://www.cso.ie/en/releasesandpublications/ep/p-biistit/businessinireland2025-sustainabilitythroughinnovationandtechnology/innovationinirishenterprises/

[9] https://www.cso.ie/en/releasesandpublications/ep/p-isse/informationsocietystatistics-enterprises2025/artificialintelligence/

[10] https://www.neh.gov.ie/business-supports/market-study-visits-business-advice

receiving an independent productivity and technology assessment, followed by a practical adoption plan covering digital systems, AI, automation, cybersecurity, energy efficiency and workforce capability. Supports should fund implementation, integration and management change, rather than software acquisition alone.

Build a continuous research-to-market pathway.

The new Research Ireland ARC Hubs provide a valuable model by bringing together researchers, industry, investors and experienced mentors across a range of sectors.[11] While in its infancy, by 2030 this model should extend to advanced manufacturing, climate technology, food innovation and other areas where there is potential. Projects should progress through standard commercial-readiness stages covering validation, demonstration, regulatory approval, intellectual property, customer discovery and investment. In this context it is important that funding follows projects across institutional boundaries so that promising technologies do not stall between research grants or pilot deployment.

Rebalance innovation finance without weakening the State's FDI proposition.

The R&D Tax Credit should remain internationally competitive for mobile investment and high-value research functions. A complementary, refundable innovation credit should support smaller enterprises undertaking "new-to-firm" process innovation, digitalisation and first commercial deployment. The credit should be simple, pre-approved where appropriate and accessible without substantial advisory costs. In parallel, a co-investment window for capital-intensive demonstrators and pilot production should be established with public participation designed to crowd in private finance and recycle returns into future projects.

[11] https://www.researchireland.ie/funded-research/arc-hub-programme/

Use public procurement to create first customers.

The National Public Procurement Strategy 2026–2030 recognises strategic and innovative procurement, SME participation and better public services as shared objectives.[12] The White Paper should convert that commitment into a structured programme of challenge-based procurement. Public bodies should publish operational problems, use outcome-based specifications, divide contracts into proportionate lots and allow piloting before full-scale purchase. Departments and agencies should report annually on innovation procurement, SME participation and the subsequent commercial progress of supported suppliers.

Hold a referendum on the Unified Patent Court.

The State should proceed with a referendum on participation in the Unified Patent Court without delay. The UPC plays a vital role in protecting and promoting innovation and business interests, while reducing costs and red tape for entrepreneurs wishing to protect their intellectual property (IP) in signatory countries. Without access to the UPC, innovating Irish businesses suffer a significant competitive disadvantage against their peers that have already signed up in the Single Market. Alongside this, an "IP Ireland" function should provide SMEs and research spin-outs with patent strategy, valuation, licensing and international enforcement support.

[12] https://www.gov.ie/en/office-of-government-procurement/publications/procuring-for-our-future-national-public-procurement-strategy-2026-2030/

Govern for outcomes to 2035.

A rolling five-year Innovation and Commercialisation Plan should sit beneath the White Paper. Its measures should include technology adoption by firm size, productivity gains, indigenous R&D expenditure, patents, licences, spin-outs, follow-on investment, first commercial sales and SME participation in collaborative research. Policy should preserve our attractiveness to global research-intensive companies while ensuring that their presence generates deeper supplier relationships and technology spillovers. Advantages afforded to one part of the ecosystem do not undermine opportunities for another and this principle should underpin the strategy insofar as balancing support for research-intensive multinationals with measures that strengthen indigenous businesses.

How should enterprise policy respond to changing global trade and investment patterns?

Our enterprise model should remain unequivocally open, export-oriented and anchored in our membership of the European Union which provides unparalleled access to the Single Market.

The response to global fragmentation should be greater diversification and making businesses more resilient by expanding their supply chains, rather than following global trends by adopting protectionist policies and retreating from international trade or investment.

By 2035, Ireland should remain one of the world's most attractive locations for high-value international investment, but with a broader base of Irish-owned exporters, deeper participation in European value chains and less exposure to individual companies, products or markets. This will build an economy greater with less exposure to external geopolitical shocks.

We have established the following recommendations taking this into account:

Establish a permanent trade and supply-chain resilience capability.

Government should maintain a live assessment of the State's exposure to concentrated products, suppliers, transport routes, technologies and markets. This should combine customs and sectoral information while protecting commercially sensitive data. Enterprise Ireland and IDA Ireland should offer structured supply-chain stress testing to client firms across a range of areas including alternative sourcing, logistics, cyber risk, inventories and business continuity. The recommendations[13] by the expert group on global value and supply chains should become a permanent function rather than a response activated only during crises which may happen without adequate warning or are impossible to pre-empt.

[13] https://www.gov.ie/en/department-of-enterprise-tourism-and-employment/press-releases/expert-group-on-global-value-and-supply-chains-gvcs-underlines-importance-of-irelands-openness-to-trade-and-investment/

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Make diversification commercially specific.

Market diversification should identify the products, services and enterprise cohorts capable of succeeding in particular markets, in addition to facilitating additional trade missions. Ireland should expand agency capacity in selected European, Asian, African and Gulf markets, with shared market intelligence and routes to local partners. Friend-shoring can reduce selected strategic exposures, while multi-partner sourcing and open markets should remain the default for the wider enterprise base.

Promote and facilitate greater access to the Single Market and the United Kingdom.

The Single Market provides access to 450 million people and 26 million businesses, but persistent regulatory and services barriers continue to inhibit firms seeking to scale across borders. Given our proximity to the EU and the UK, more should be done to facilitate trade with both markets. In terms of trade with the Single Market, gold-plating and the lack of integration is constraining indigenous businesses from exporting. The forthcoming EU measures for small mid-cap companies should be used to prevent successful Irish SMEs losing support at the point when they begin to scale.

Build an indigenous scaling and export pipeline.

Medium-sized businesses should become a distinct enterprise-policy cohort with multi-annual account management, export finance, management development and market-entry support. The proposed Market Diversification and Resilience Fund should be utilised to co-finance certification, adaptation to customs requirements, supply-chain redesign and entry into additional markets. This will help reduce dependency on any one market for businesses. In addition, the SME Scaling Fund should mobilise institutional and pension capital, while support should reward sustained export capability and productivity growth.

Utilise the international reach of Chambers of Commerce.

A strong partnership with the affiliated Chamber network would provide a cost-effective mechanism for expanding Ireland's export base. Chambers represent an established delivery channel capable of connecting businesses with international opportunities and export opportunities for goods and services. Many Chambers around Ireland already facilitate trade missions, inward and outward business delegations, and business-to-business engagement in key international markets without direct public funding. These activities help companies identify opportunities, build commercial relationships and navigate new markets; particularly for SMEs seeking to export for the first time.

Delivering infrastructure to compete for the next generation of FDI.

Tax certainty and the fact the State is a common law jurisdiction with an English-speaking workforce and EU membership remain important, however investment decisions are also assessed based on the availability and quality of enabling infrastructure. As mentioned elsewhere in our submission, infrastructure deficits represent the core constraint to our competitiveness and delivery of enabling infrastructure for all sectors of the economy should therefore be paramount to the Strategy.

Increase the domestic value of foreign investment.

Major FDI projects receiving State support should include transparent development plans for Irish suppliers, collaborative research and regional linkages. These conditions should remain proportionate and compatible with EU law, but the objective should be to deepen the functions located in Ireland and expand spillovers into indigenous businesses. Enterprise Ireland and IDA Ireland should jointly manage supplier-development programmes around strategic multinational clusters.

Put resilience at the centre of delivery.

The Strategy should require a Trade, Investment and Economic Resilience Plan for 2027-2035, reviewed annually against geopolitical and technology scenarios. Measures should cover export participation, market and product concentration, indigenous scaling, FDI source diversification, supplier linkages, services exports, infrastructure readiness and critical supply-chain exposure. Windfall corporation tax receipts should continue to strengthen fiscal and infrastructure buffers and be used for capital, rather than current expenditure.