



15<sup>th</sup> February 2013

Committee of Public Accounts  
Leinster House  
Dublin 2

Attention: Ms. Niamh Maguire

Dear Ms Maguire

I refer to recent correspondence following Enterprise Ireland's appearance before the Committee of Public Accounts on the 31<sup>st</sup> January.

As requested please find enclosed responses relating to a number of requests for additional information that arose during the course of the Committee's examination of Enterprise Ireland's Financial Statements 2011:

- 1) A breakdown of Enterprise Ireland assisted companies' full-time and part-time employment on a county basis.
- 2) A note on Enterprise Ireland's contribution back to the Exchequer in 2011.
- 3) A note on the European Globalisation Adjustment Funds received in 2011 and 2012.
- 4) A note on the costs, disposals and write-downs of equity investments in Companies and Seed and Venture Capital Funds in 2011.
- 5) A note on the money spent by each County and City Enterprise Board over the past five years including details of:
  - a) The number of jobs created
  - b) The average cost per job created by the County and City Enterprise Boards.
- 6) A note of the representation of Enterprise Ireland in Asia with specific reference to Taiwan.
- 7) A note on Enterprise Ireland's cost per job.

As discussed at our appearance we look forward to furnishing the committee with a copy of Enterprise Ireland's Strategy 2014-2017. It is expected that this Strategy will be presented to the Board of Enterprise Ireland for its consideration in December 2013 and subject to the approval of the Department of Jobs, Enterprise and Innovation, will be available for circulation in early 2014.

Yours sincerely



## **2012 Employment - Enterprise Ireland assisted Companies**

Enterprise Ireland's mission is to partner with entrepreneurs, Irish businesses, and the research and investment communities to develop Ireland's international trade, innovation, leadership, and competitiveness. The ultimate objective is increased employment and prosperity in Ireland. The companies that Enterprise Ireland works with are a vital source of employment in every county in Ireland.

In 2012, total employment in Enterprise Ireland's client companies increased to 169,451, made up of 145,460 in full time jobs and 23,991 in part-time positions.

This positive performance by Irish companies was achieved notwithstanding the continuing economic challenges at home and abroad. The total direct and indirect employment impact associated with Enterprise Ireland client companies is estimated to total more than 300,000 jobs.

The following table sets out total employment in Enterprise Ireland supported companies in each county in 2012 including a breakdown between full-time and part-time jobs.

County	Data	2012
Carlow	Part-Time/Other Jobs	190
	Full Time Jobs	2,137
	<b>Total Jobs</b>	<b>2,327</b>
Cavan	Part-Time/Other Jobs	396
	Full Time Jobs	4,151
	<b>Total Jobs</b>	<b>4,547</b>
Clare	Part-Time/Other Jobs	194
	Full Time Jobs	1,580
	<b>Total Jobs</b>	<b>1,774</b>
Cork	Part-Time/Other Jobs	2,199
	Full Time Jobs	18,629
	<b>Total Jobs</b>	<b>20,828</b>
Donegal	Part-Time/Other Jobs	706
	Full Time Jobs	2,655
	<b>Total Jobs</b>	<b>3,361</b>
Dublin	Part-Time/Other Jobs	11,612
	Full Time Jobs	50,159
	<b>Total Jobs</b>	<b>61,771</b>
Galway	Part-Time/Other Jobs	1,119
	Full Time Jobs	6,063
	<b>Total Jobs</b>	<b>7,182</b>
Kerry	Part-Time/Other Jobs	478
	Full Time Jobs	3,318
	<b>Total Jobs</b>	<b>3,796</b>
Kildare	Part-Time/Other Jobs	632
	Full Time Jobs	5,450
	<b>Total Jobs</b>	<b>6,082</b>
Kilkenny	Part-Time/Other Jobs	580
	Full Time Jobs	3,089
	<b>Total Jobs</b>	<b>3,669</b>
Laois	Part-Time/Other Jobs	182
	Full Time Jobs	929
	<b>Total Jobs</b>	<b>1,111</b>
Leitrim	Part-Time/Other Jobs	62
	Full Time Jobs	574
	<b>Total Jobs</b>	<b>636</b>
Limerick	Part-Time/Other Jobs	745
	Full Time Jobs	6,279
	<b>Total Jobs</b>	<b>7,024</b>
Longford	Part-Time/Other Jobs	120
	Full Time Jobs	1,557
	<b>Total Jobs</b>	<b>1,677</b>

Source: Annual Employment Survey 2012

<b>County</b>	<b>Data</b>	<b>2012</b>
<b>Louth</b>	<b>Part-Time/Other Jobs</b>	681
	<b>Full Time Jobs</b>	4,328
	<b>Total Jobs</b>	<b>5,009</b>
<b>Mayo</b>	<b>Part-Time/Other Jobs</b>	362
	<b>Full Time Jobs</b>	3,054
	<b>Total Jobs</b>	<b>3,416</b>
<b>Meath</b>	<b>Part-Time/Other Jobs</b>	597
	<b>Full Time Jobs</b>	4,771
	<b>Total Jobs</b>	<b>5,368</b>
<b>Monaghan</b>	<b>Part-Time/Other Jobs</b>	408
	<b>Full Time Jobs</b>	3,463
	<b>Total Jobs</b>	<b>3,871</b>
<b>Offaly</b>	<b>Part-Time/Other Jobs</b>	193
	<b>Full Time Jobs</b>	2,699
	<b>Total Jobs</b>	<b>2,892</b>
<b>Roscommon</b>	<b>Part-Time/Other Jobs</b>	106
	<b>Full Time Jobs</b>	1,119
	<b>Total Jobs</b>	<b>1,225</b>
<b>Sligo</b>	<b>Part-Time/Other Jobs</b>	130
	<b>Full Time Jobs</b>	1,508
	<b>Total Jobs</b>	<b>1,638</b>
<b>Tipperary</b>	<b>Part-Time/Other Jobs</b>	700
	<b>Full Time Jobs</b>	4,313
	<b>Total Jobs</b>	<b>5,013</b>
<b>Waterford</b>	<b>Part-Time/Other Jobs</b>	414
	<b>Full Time Jobs</b>	4,063
	<b>Total Jobs</b>	<b>4,477</b>
<b>Westmeath</b>	<b>Part-Time/Other Jobs</b>	240
	<b>Full Time Jobs</b>	2,352
	<b>Total Jobs</b>	<b>2,592</b>
<b>Wexford</b>	<b>Part-Time/Other Jobs</b>	521
	<b>Full Time Jobs</b>	3,881
	<b>Total Jobs</b>	<b>4,402</b>
<b>Wicklow</b>	<b>Part-Time/Other Jobs</b>	424
	<b>Full Time Jobs</b>	3,339
	<b>Total Jobs</b>	<b>3,763</b>

Source: Annual Employment Survey 2012

### Explanation of Contribution to Exchequer

As part of the Estimates process each year, Enterprise Ireland is given sanction by the Department of Finance to retain an agreed amount of Own Resource income in order to help finance its expenditure for the year. Any excess Own Resource income earned over and above this agreed amount is refunded to the Exchequer. The 2011 Contribution to the Exchequer amounted to €34,296k (Note 10 in the Accounts), the majority of which (€31,383k) was as a result of excess Capital income receipts. The table below outlines the sources of Capital income leading to the excess of €31,383k in 2011.

	Note in 2011 Accounts	2011 €'000
Financial Support Refunds	2	490
Financial Incentive Assets	16	2,712
Proceeds from Sale of Investments	9(b)	32,017
Proceeds from Venture Capital Funds	9(b)	12,382
Dividend Income	2	1,926
Proceeds from Tangible Fixed Assets	9(a)	4
Deposit Interest on Special Savings A/C		<u>52</u>
		49,583
Less: Amounts allowed in Book of Estimates		<u>(18,200)</u>
<b>Capital Contribution to Exchequer</b>	<b>10</b>	<b><u>31,383</u></b>

## **European Globalisation Adjustment Fund**

The European Globalisation Adjustment Fund (EGF) is a European Union fund which aims to help workers find new jobs and develop new skills when they have lost their jobs as a result of changing global trade patterns or global financial and economic crisis.

The EGF received in 2011 amounted to €3,154k – this related to Dell (€550k), Waterford Crystal (€637k) and SR Technics (€1,967k) and funds were disbursed to the relevant County and City enterprise Boards.

The EGF received in 2012 amounted to €304k – this related to Talk Talk (€190k), and the Construction sector (€114k). Again, funds were disbursed to the relevant County and City enterprise Boards.

## Diminution in Value of Equity / Venture Capital Funds

Enterprise Ireland's policy in relation to the carrying value of equity and venture capital fund investments in the annual accounts is to state these investments at the lower of cost or net realisable investment (NRV) based on management's assessment and a review process using the latest set of audited or management accounts of the investee companies or other relevant business information. Where the reasons for previous provisions in respect of diminution in value have ceased to apply, those provisions are reversed.

Enterprise Ireland has been investing in companies and Venture Capital Funds (VCF) since its establishment in July 1998. Any assessment of the performance of its equity and VCF portfolio should be viewed over the longer term. The tables below summarises the portfolio activity between 1999 and 2011.

### Equity investments in Companies

Enterprise Ireland's Equity investments have performed well over the period to the end of 2011, requiring €139,106k from the remaining investments with a net book value of €172,670k in order to breakeven. In addition, these equity investments have generated €23,692k of dividends during the period 1999 – 2011.

	<b>Equity €'000</b>
Cost at 1 January 1999	113,167
Additions 1999 - 2011	<u>386,929</u>
	500,096
Proceeds from Disposals 1999 - 2011	<u>360,990</u>
Balance required to breakeven 31 Dec 2011	<u>139,106</u>
Net Book Value 31 Dec 2011	<u>172,670</u>

## Investments in Venture Capital Funds

It is not possible to accurately judge the performance of Venture Capital Funds (VCF) until funds have reached full maturity, typically on or after funds have reached their 10 year anniversary or when the Funds have been fully divested.

	VCF €'000
Cost at 1 January 1999	2,539
Additions 1999 - 2011	<u>210,248</u>
	212,787
Proceeds from Disposals 1999 - 2011	<u>72,052</u>
Balance required to breakeven 31 Dec 2011	<u>140,735</u>
Net Book Value 31 Dec 2011	<u>80,013</u>



## County and City Enterprise Boards

### **Background**

The 35 County and City Enterprise Boards (CEBs) were established in 1993 to provide support for micro enterprises with 10 employees or less, at local level. CEBs provide direct grant-support to new and existing enterprises primarily in manufacturing and internationally traded sectors, and promote entrepreneurship and capability building at local level.

CEB support programmes are divided into Measure 1 – Direct Grant Aid and Measure 2 – Soft Supports such as mentoring, training and development. While the overall maximum grant available to CEB clients is €150,000 in respect of Priming and Business Expansion Grants and €20,000 in respect of Feasibility grants, the average payment would not reach this limit. The grant structure is designed to provide a scale of support for micro enterprise throughout its business life cycle, ensuring the sustainability and viability of the business.

In addition to directly grant aiding micro enterprises CEBs promote enterprise culture through a number of programmes including the National Enterprise Awards, the National Women's Enterprise Day and a dedicated schools programme culminating in the Student Enterprise Awards held annually.

### **Enterprise Ireland's County & City Enterprise Boards Central Coordination Unit**

In 2007 of a new unit within Enterprise Ireland (EI), the County & City Enterprise Boards Central Coordination Unit was established; this unit is the central contact point for CEBs and is based in the EI National Regional Headquarters in Shannon, Co Clare.

The CEB Central Co-ordination Unit has responsibility for the provision of day-to-day operational, technical and financial support to the CEBs. The Department of Jobs Enterprise and Innovation (DJEI) in conjunction with the Enterprise Ireland through the CEB Central Co-ordination Unit develops strategic policy in respect of the CEBs and the micro-enterprise sector in general. DJEI continues to be the CEBs lead Department with primary policy and funding responsibility.

The annual County & City Enterprise Boards exchequer allocation totaled €30.54m in 2011 and €29.77m in 2012. Enterprise Ireland's CEB Central Co-ordination Unit is responsible for preparation of annual estimates, the allocation of individual CEB budgets, the disbursement of payments, financial analysis, and reporting and monitoring income and expenditure for individual Boards. The Budgets team works closely with

CEBs to achieve efficiencies and cost savings through for example the roll out of shared services.

### **Restructuring of County and City Enterprise Boards**

A Government decision has been taken in relation to the future of the County and City Enterprise Boards. Following confirmation by legislation the CEBs will be dissolved and their functions will transfer into the Local Authorities, under the new LEO (Local Enterprise Office) structure. The Department of Jobs Enterprise and Innovation will retain policy and funding responsibility and the mandate will be delivered by individual Service Level Agreements between Local Authorities and Enterprise Ireland. A process for the seamless transition to the LEO structure is underway which is being overseen by a central Implementation Working Group.

Enterprise Ireland working in collaboration with LEOs will drive and support the development of micro enterprises through a Centre of Excellence and management of the SLAs.

The Centre of Excellence is charged with delivering;

1. A **Service Level Agreement with each LEO** incorporating budgets, performance targets and metrics, project evaluation and approval, supported by an enhanced client information system
2. A **Client Pathway Development** from pre-startup to established sectors to growth and export development. EI will also act as a conduit of micro enterprises to LEOs.
3. **EI/LEO Knowledge and Competence Collaboration/Transfer** to ensure staff development and training for all LEO staff and innovative collaborative models are developed.
4. **Enterprise Culture and Brand Management** through an enhanced micro enterprise website, a branding programme, collaboration in national events and programmes.
5. **Governance, compliance and stakeholder engagement** to include undertaking audit and spot checks of expenditure and taking a lead role in linking clients of the LEOs with Enterprise Ireland's Potential Exporters Division.

### **Data**

The following tables set out additional information relating to each County and City Enterprise Board.

Table 1: Summary of Capital and Current CEB Expenditure 2007 – 2012

Table 2: Net Jobs Created 2007 – 2012

Table 3: Cost per Job

**Table 1: Summary of Capital and Current CEB Expenditure 2007 – 2012 (SOURCE: CEB QUARTERLY STATEMENTS)**

CEB	2007		2008		2009		2010		2011		2012	
	Current € '000	Capital € '000	Current € '000	Capital € '000	Current € '000	Capital € '000	Current € '000	Capital € '000	Current € '000	Capital € '000	Current € '000	Capital € '000
Carlow	461	615	424	579	418	554	340	567	232	512	432	643
Cavan	343	661	353	659	364	541	317	498	110	411	242	437
Clare	378	590	320	571	422	629	282	445	285	581	261	574
Cork City	379	515	446	550	406	483	301	576	423	540	541	471
Cork North	197	86	311	140	250	325	178	245	142	458	192	259
Cork South	476	802	479	883	418	1,112	428	851	515	952	535	1,329
Cork West	281	485	325	672	308	423	247	525	285	400	306	545
Donegal	349	957	331	884	364	847	344	756	161	664	305	801
Dublin City	639	1,610	559	1,382	466	1,259	454	1,210	411	1,353	454	1,268
Dublin South	394	772	407	738	400	729	291	711	337	612	333	837
Dun Laogh/Rath	480	1,169	599	1,293	474	1,003	532	942	442	1,063	439	968
Fingal	412	852	463	952	367	890	369	770	397	916	429	877
Galway	346	634	297	617	320	629	264	601	174	861	354	699
Kerry	345	489	493	703	406	863	398	650	367	664	378	663
Kildare	395	625	422	658	384	522	322	514	470	614	274	526
Kilkenny	336	601	314	665	435	655	376	462	275	512	344	555
Laois	377	476	375	541	328	425	280	338	129	379	268	340
Leitrim	386	433	447	422	410	443	293	353	96	375	304	343
Limerick City	421	476	382	441	377	534	391	443	402	451	391	509
Limerick County	352	585	424	516	358	665	299	551	317	509	319	501
Longford	353	453	419	472	412	372	260	385	128	392	267	400
Louth	473	686	532	739	501	617	465	637	239	651	402	482
Mayo	286	667	209	629	176	511	200	427	78	561	109	393
Meath	451	519	470	535	424	723	317	486	347	722	337	438
Monaghan	409	513	455	466	521	571	344	378	127	384	342	370
Offaly	386	547	399	548	412	514	351	422	162	411	354	421
Roscommon	294	490	416	428	350	502	212	342	123	393	197	389
Sligo	381	649	474	599	378	559	255	473	170	385	330	471
Tipperary North	391	507	349	512	373	485	300	451	379	443	331	498
Tipperary South	373	596	367	510	392	483	336	451	285	405	231	447
Waterford City	295	486	327	549	347	445	205	511	214	452	292	473
Waterford Co	304	503	296	514	318	447	275	472	179	425	198	506
Westmeath	418	864	460	619	441	643	345	556	220	559	426	635
Wexford	432	838	359	757	507	707	294	595	300	630	305	755
Wicklow	457	661	354	677	505	556	398	693	398	726	389	598
<b>Total</b>	<b>13,452</b>	<b>22,415</b>	<b>14,057</b>	<b>22,422</b>	<b>13,733</b>	<b>21,666</b>	<b>11,263</b>	<b>19,284</b>	<b>9,320</b>	<b>20,364</b>	<b>11,614</b>	<b>20,423</b>

**Table 2: Net Jobs Created 2007 – 2012**

CEB	Net Jobs						
	2007	2008	2009	2010	2011	2012**	
Carlow	32.5	4	-81	106	15.5	204.5	
Cavan	125.5	8.5	-128.5	75.5	28.5	27.5	
Clare	114.5	-58.5	-79	37.5	38.5	79	
Cork City	231	-24	-121.5	-75	-62.5	-1.5	
Cork North	67.5	0.5	-75	-88.5	-51.5	29	
Cork South	94	-54	-26.5	18	35	92	
Cork West	7	-46	-72.5	24.5	12	-1	
Donegal	245	187	-128.5	-15	30	-123.5	
Dublin City	33.5	263	62	-236	88	59	
Dublin Dun Laoghaire/Rathdown	171	74.5	-44	180.5	-10	490.5	
Dublin Fingal	125.5	69.5	-11	-58.5	85.5	128.5	
Dublin South	24	-36.5	-98.5	60	45	78.5	
Galway County/City	223	-28	55	-180.5	-468	-35.5	
Kerry	59	108	81.5	60	26	-158	
Kildare	147	-29.5	-77.5	56	-78.5	-42.5	
Kilkenny	-81	-2	-118.5	-5	28	-98.5	
Laois	3	-104.5	-192.5	-97	15	-19	
Leitrim	-34.5	-27.5	-68	-16	-39	-11.5	
Limerick City	105.5	-263.5	-92	9.5	33	-80.5	
Limerick County	-23.5	-32.5	-48	39	87	-17	
Longford	55	-1.5	-42	-13.5	-12.5	-13.5	
Louth	-95	14.5	-239	23.5	58	-49	
Mayo	46	19.5	-91.5	40	-145	-40	
Meath	2	-38.5	-118	-155	202.5	102	
Monaghan	68	-149.5	-38.5	46.5	5	-32.5	
Offaly	97.5	-138.5	-198.5	0.5	133	-32.5	
Roscommon	59	-41.5	-233.5	-74	7.5	-35	
Sligo	43	31.5	-53	21.5	69.5	-79	
Tipperary(NR)	25	-55	-106.5	-104	31	-77.5	
Tipperary(SR)	122	-26	-128	101.5	-202	25	
Waterford City	-34.5	-22.5	-147.5	-58.5	5.5	93.5	
Waterford County	29.5	-78	-40.5	-37.5	-12	16	
Westmeath	81	-89	-126.5	2	25.5	-107.5	
Wexford	87.5	-153.5	-176	25	-65.5	88.5	
Wicklow	9.5	-15	-81.5	168.5	-142	80	
<b>Totals</b>	<b>2265</b>	<b>-734.5</b>	<b>-3084.5</b>	<b>-118.5</b>	<b>-184</b>	<b>538.5</b>	

Source: CEB MIS System February 2013

\*\*Figures for 2012 are estimates as CEBs are currently finalising employment reports

**Table 3: Cost per Job 2007 – 2012**

CEB	Cost Per Job						
	2007	2008	2009	2010	2011	2012**	
Carlow	€4,560	€4,672	€5,405	€4,926	€5,089	€3,565	
Cavan	€4,256	€4,445	€5,081	€4,955	€5,155	€3,516	
Clare	€3,248	€3,529	€3,934	€4,077	€4,283	€3,185	
Cork City	€3,963	€4,498	€5,316	€5,921	€6,561	€4,337	
Cork North	€3,640	€3,614	€4,373	€4,766	€5,745	€3,666	
Cork South	€4,728	€5,410	€5,853	€5,884	€5,897	€4,550	
Cork West	€4,927	€5,434	€6,376	€6,571	€6,696	€4,747	
Donegal	€3,785	€3,739	€4,125	€4,352	€4,279	€3,102	
Dublin City	€5,335	€4,899	€4,969	€5,677	€5,871	€4,209	
Dublin Dun Laoghaire/Rathdown	€6,491	€6,535	€8,060	€6,875	€7,424	€5,254	
Dublin Fingal	€4,978	€4,946	€5,207	€5,701	€5,707	€4,173	
Dublin South	€6,202	€6,714	€7,741	€7,753	€7,761	€5,636	
Galway County/City	€3,679	€3,851	€3,959	€4,194	€5,742	€3,371	
Kerry	€4,481	€4,471	€4,603	€4,118	€4,230	€2,956	
Kildare	€4,046	€4,418	€4,915	€4,930	€5,722	€3,806	
Kilkenny	€5,464	€5,643	€6,711	€6,876	€6,941	€4,972	
Laois	€4,378	€5,074	€6,266	€7,429	€6,980	€5,158	
L Leitrim	€7,299	€7,837	€9,309	€10,791	€12,395	€8,064	
Limerick City	€3,515	€4,867	€5,796	€5,968	€5,958	€4,347	
Limerick County	€5,441	€5,980	€6,577	€6,833	€6,691	€4,922	
Longford	€3,949	€4,173	€4,568	€4,876	€5,125	€3,562	
Louth	€3,637	€3,799	€4,914	€4,829	€5,001	€3,565	
Mayo	€4,228	€4,445	€4,977	€5,473	€6,542	€4,069	
Meath	€3,488	€3,803	€4,509	€5,561	€4,657	€3,836	
Monaghan	€3,601	€4,285	€4,668	€4,445	€4,603	€3,234	
Offaly	€4,214	€5,205	€7,011	€7,302	€6,550	€5,106	
Roscommon	€4,535	€4,799	€6,534	€7,687	€7,879	€5,557	
Sligo	€5,587	€5,863	€6,652	€6,827	€6,653	€4,738	
Tipperary(NR)	€4,907	€5,679	€7,182	€8,959	€9,427	€7,024	
Tipperary(SR)	€4,154	€4,537	€5,393	€5,040	€6,564	€3,888	
Waterford City	€6,420	€6,870	€8,531	€9,629	€9,601	€6,907	
Waterford County	€5,211	€5,957	€6,753	€7,504	€8,181	€5,640	
Westmeath	€3,298	€3,749	€4,472	€4,745	€4,934	€3,587	
Wexford	€4,092	€4,809	€5,856	€5,885	€6,482	€4,411	
Wicklow	€5,823	€6,232	€7,240	€6,413	€7,709	€4,947	
<b>Totals</b>	€4,503	€4,843	€5,543	€5,747	€6,058	€4,248	

Source: CEB MIS System February 2013

Figures for 2012 are estimates as CEBs are currently finalizing reports on the MIS system

## Enterprise Ireland's Presence in Asia Pacific

### Background

Enterprise Ireland currently has a network of 28 overseas offices located in key target international markets. The location of each of our offices in key priority markets has been carefully assessed, and chosen to ensure that in each location in which Enterprise Ireland operates it is strategically positioned in a leading commercial hub. This way, we are located where we can maximise the potential of Irish companies to target that particular market.

Where Enterprise Ireland has overseas offices, to maximise effectiveness they are co-located with the Department of Foreign Affairs and Trade and/or other state agencies wherever possible (22 of Enterprise Ireland's 28 overseas offices are co-located).

Enterprise Ireland overseas offices provide a range of services to meet client needs, for example:

- Market knowledge on a sectoral basis delivered individually to clients
- Incubation and Hot-Desking Facilities (in certain markets)
- Introductions to buyers/suppliers/partners in-market
- Market intelligence such as competitor analysis, identification of professional services, signposting on regulations etc.
- Identification of knowledge/technology/supply chain opportunities and international sources of finance (e.g. VC).
- Assistance in promoting Ireland's offer to overseas entrepreneurs and identification of prospects for the €10m Overseas Start-ups fund

In its efforts to maximise the trade and commercial opportunities for Irish companies, the geographic orientation of Enterprise Ireland's office network takes into account a number of decision factors including:

- The size of the direct geographic market, and that of proximate market locations where services may also be provided (in terms of population, demographics including proportion of middle class, GDP per capita etc.)
- The presence of tariff and non-tariff barriers for targeted sectors
- Overall ease of doing business
- Strategic importance of location e.g. as a trade hub, global decision centre for purchasing etc.

- Current extent of Irish company presence in and trade with market/region
- Presence of realisable opportunities for Irish exporting sectors and demand from clients for market connectivity

Taking these factors into account, Enterprise Ireland has carefully marshalled its resources to best target and support client opportunities. Enterprise Ireland's overseas offices are reviewed annually as part of the organisation's operational planning process to ensure that the trade and commercial opportunities for Irish companies are maximised. Enterprise Ireland works closely with the Departments and Agencies with an overseas presence, including in the context of the delivery of the 'Trading and Investing in a Smart Economy' strategy, and the work of the Export Trade Council. In particular, a focus on emerging markets is a strategic priority for Enterprise Ireland, and is reflected in the changing orientation of the Agency's overall overseas resources.

### **Asia Pacific Region**

Enterprise Ireland has 8 offices in the Asia Pacific Region which accounts for 7% of our total exports. In 2012 Enterprise Ireland closed an office in Guangzhou China, moving the resources to Shanghai. 2012 also saw Enterprise Ireland's Kuala Lumpur office merge with the Singapore office to form a larger office based in Singapore. Finally, Enterprise Ireland's India manager has transferred from New Delhi to the commercial capital, Mumbai. These changes to our network form part of an ongoing process that enables Enterprise Ireland to provide specialist market and sector expertise and services to its client base in an effective manner in line with changing global market trends. Details of our office network in this region are set out in Table 1 below:

**Table 1: Enterprise Ireland Asia Pacific Office Network**

<b>Enterprise Ireland Office Locations</b>	<b>Details of Co-Location</b>	<b>Co-Located</b>
Shanghai	Co-Located with Consulate	Yes
Beijing	No space to collocate with Embassy	
Hong Kong	Commercial Centre Office. No Embassy/Consulate in Hong Kong	
Singapore	Co-Located with Embassy	Yes
Tokyo	Co-Located with Embassy	Yes
Sydney	Co-Located with Consulate	Yes
Seoul	Co-Located with Embassy	Yes
New Delhi	Co-Located with Embassy	Yes

Through this office network Enterprise Ireland supports clients in the following 14 markets:

**Table 2: Markets served by Enterprise Ireland's Asia Pacific Office Network**

Australia	Malaysia	Sri Lanka (from India)
China	Singapore	Taiwan (from Hong Kong)
Hong Kong	Indonesia (from Singapore)	Thailand (from Singapore)
India	New Zealand (from Australia)	Vietnam (from Singapore)
Japan	Nepal (from India)	

### **Taiwan**

Marketplace services for Irish companies targeting Taiwan are provided through Enterprise Ireland's office in Hong Kong and locally in Taipei via a consultancy arrangement, which is managed by the Enterprise Ireland Hong Kong manager.

Enterprise Ireland has adopted a sectoral approach to the "Greater" China market – i.e. China, Hong Kong and Taiwan. Enterprise Ireland works in close co-operation with Ambassador Declan Kelleher and colleagues from the Department of Foreign Affairs and Trade and other state agencies in China. Enterprise Ireland looks forward to continuing this relationship with the Ambassador Paul Kavanagh who has recently been appointed to this post.

The Enterprise Ireland team is working proactively on key sectors across the region where there is a good fit between the market opportunity and the clusters of "market ready" clients in Ireland. The sectors currently being targeted in Taiwan include:

- Education Services
- Financial Services
- Software & Services
- Telecoms / Mobile Comms
- Semi Conductor Chip Design

Taiwan, accounts for approximately 3% of total Enterprise Ireland client exports to "Greater China" – i.e. €8m total exports in 2011, with €10m projected for 2012. The



largest sector is Food, which accounts for €3m, followed by Electronics and Financial Services.

The Enterprise Ireland strategy is to service the market based on client demand via a well connected consultant (“pathfinder”) based in Taipei. This consultant will also interface as and when necessary with the Government, and the local trade and representative organisations – including the EU representative office.

Typically, Enterprise Ireland executives also visit the market once a quarter to meet contacts in government and to meet private sector organizations to maintain awareness of Ireland as a source of world class products and services. The most recent visit was in December 2012 and was organized in cooperation with the Taiwan representative office in Dublin. During this visit Enterprise Irelands Director for the Asia Pacific region and the Manager for Hong Kong met with officials from the Ministry of Economic Affairs, the Taiwan External Trade Development Council, and the Ministry of Foreign Affairs.

The current arrangements have proved to be effective and efficient for Enterprise Ireland clients as the level of client company interest in Taiwan does not warrant any higher level of in-market support at this time. Enterprise Ireland will continue to make regular market visits in Taiwan in support of client companies which are growing exports and creating and sustaining employment in Ireland.

### Cost Per Job

The Cost per Job Sustained measure is calculated by Forfás and takes into account all direct agency expenditure on all client companies in a seven year period. Only jobs created during, and sustained at the end of each seven year period are represented in the calculations.

Time Period	Cost per Job sustained (2011 prices)
1996-2002	€11,761
1997-2003	€10,342
1998-2004	€8,984
1999-2005	€5,962
2000-2006	€4,385
2001-2007	€6,556
2002-2008	€7,988
2003-2009	€12,124
2004-2010	€12,560
2005-2011	€12,024

The Cost per Job sustained for 2006-2012 will be confirmed in Enterprise Ireland's Annual Report

### Background Information

Direct agency expenditure includes total grants paid to companies as well as support provided in the form of equity, for example investments in support of innovation led start-ups.

Enterprise Ireland's investment policy facilitates grant and/or equity support. Equity investments would typically be made in early stage companies, where there is a greater level of risk associated with investment. Funds that are realised from the sale or repayment of equity related investments are deducted in the cost per job calculations. Over time, this funding policy has been a driver of the declining Cost per Job sustained (up to 2006) as demonstrated in Enterprise Ireland's latest Annual Report.

This reduction was primarily due to the impact of large financial support refund figures in the year 2000. Such refunds would include Financial Support Refunds, Dividends, Sale of investments in shares, and Proceeds for Disposal of Seed and Venture Funds. The financial supports refunds from 2000 no longer form part of the calculation for cost per job sustained.

It should be noted that a large grant refund figure in 2000 of over €100 million formed part of the calculation up to 2006 and included Financial Support Refunds, Dividends, Sale of investments in shares, and Proceeds for Disposal of Seed and Venture Funds. This no longer forms part of the calculation in subsequent periods.

Since 2007 the cost per job sustained has increased. The reasons for this are largely threefold:

1. Enterprise Ireland provided additional supports to ensure Irish-owned companies were in a position to withstand the worst recession in decades e.g. the Enterprise Stabilisation Fund
2. Additional supports relating to Dairy, Beef and Sheep, and Food Competitiveness Funds were administered by EI on behalf of third party agencies and form part of the calculation.
3. A lower number of jobs sustained compared to earlier seven year periods in the context of the severe economic recession and resulting job losses.