

## **Opening Statement of Feargal O'Rourke - New Chair of IDA Ireland**

### **Committee Members**

**I am delighted and honoured to be attending this meeting today as the new Chair of IDA Ireland.**

**It would be remiss of me not to begin by paying tribute to my predecessor Frank Ryan. Frank served as Chair of IDA Ireland for the last 10 years, having previously had a successful executive career with both Enterprise Ireland and IDA Ireland. His wise counsel and thoughtful leadership played a key role in the success of IDA Ireland over that period. Moreover, he has always been one of life's most decent human beings and he has been extremely helpful to me in the handover period.**

**The Committee may not be familiar with my own background. I am from Athlone and grew up and went to school there. I came to Dublin to attend UCD graduating with a B.Comm degree and a Diploma in Professional Accounting. I have spent two thirds of my life in Dublin but would still consider myself a proud Westmeath man.**

**On 8 October 1986, I joined what was then Price Waterhouse with the intention of qualifying as a Chartered Accountant and then returning home. 37 years later, to the day, I retired from Price Waterhouse Coopers (PwC) having had a wonderfully fulfilling professional career that was beyond any expectations I had when I joined in 1986.**

**I was fortunate to work with some great leaders in the organisation locally and globally and great clients of the organisation. In 1996 I became a tax partner in the firm working a significant portion of my career in Foreign Direct Investment (FDI). Most of my career I worked extensively, but not exclusively with household names from the West Coast of the US. I was privileged to work with many of the companies that now rank among the largest FDI employers in the country.**

**I held several management roles in EMEA (Europe, Middle East, and Africa) and the Irish Firm, culminating in being head of the PwC Tax Practice from 2011 to 2015, then being elected Managing Partner in 2015 and re-elected unanimously for a second term in 2019.**

**I was appointed as Chairperson of IDA Ireland by Minister Simon Coveney on 3 January 2024. In the 7 weeks since I have been busy reading my way into the role and meeting team members, and wider stakeholders, and of course my predecessor and the CEO. Two weeks ago, I chaired my first board meeting following an informal "icebreaker" virtual meeting to introduce myself and the two other new board members to the rest of the board. I was also**

fortunate to be appointed on the day of the annual staff conference which I attended which allowed me a timely immersion into the agency.

IDA Ireland marks its 75<sup>th</sup> anniversary this year, reflecting Ireland's longstanding track record of positioning FDI as a key pillar of the country's enterprise policy. IDA Ireland's mission is to partner with multinational companies to win and develop foreign direct investment, providing jobs, economic impact, and opportunity for the people of Ireland. The Agency is a world class organisation. That is not just my own view. Over the course of my 37 years in the professional services industry, I was repeatedly told this by clients who had experience of being "courted" by a variety of inward investment agencies from around the world.

Punching above its weight and populated by a team who metaphorically get blood on their shirts in trying to win projects and investments for Ireland, IDA Ireland is the envy of many other countries who seek to replicate the success we have had as a country, over many decades, in attracting FDI here.

The success of IDA Ireland is systemically important to the wellbeing of the Irish economy and – by extension – Irish society. IDA clients directly account for 11% of total employment nationally and make a deep economic contribution that ranges from an annual spend of €35.8bn on payroll and Irish sourced goods and services, to €15.5bn on capital expenditure and over €7bn on in-house RD&I. These figures tangibly demonstrate the scale and scope of FDI in Ireland today.

While 2023 was a turbulent year, it was one in which Ireland's FDI performance remained strong. Direct employment in IDA client companies now stands at 300,583 with good sectoral diversity. We saw particularly welcome momentum in transformation focused investments last year. IDA approved 25 sustainability projects focused on carbon abatement and building Ireland's green economy. New RD&I and talent development projects were won with associated client spend commitments of €1.4bn and €77m, respectively. Overall, 248 investments were approved by IDA in 2023 with the potential to create almost 19,000 jobs as these projects come on stream.

Regional Development remains a key part of our story of success also with over half of all investments won last year going to locations outside Dublin (132 investments). IDA's 2021-24 strategy includes published investment targets for the eight regions of the country. We expect to achieve these targets, building on the record levels of regional investment secured since 2015. This success, in a global FDI context where investors typically favour large urban centres or large 'mega sites,' is testament to IDA's partnership with a broad range of regional and national stakeholders and to key initiatives such as the Regional Property Programme and Digital Manufacturing Ireland.

**As we enter the final year of our current four-year strategy, we have made considerable progress and expect to achieve or surpass the range of targets set at the strategy's outset.**

**In sporting terms IDA Ireland is like Limerick in hurling or Shamrock Rovers or Manchester City in football. We have a fantastic record of success, but once the year or season is over, we must do it all over again. We can survive a year where we are not top of the pile – but we cannot afford to enter a period where we are living off past glories.**

**The single biggest task for the board this year will be working with management as we collectively shape a strategy for the organisation that will get us towards the end of the decade. That process had already started prior to my joining the board and will continue through 2024.**

**This is against the backdrop of significant geopolitical uncertainty with the resultant impact on the business environment; a more muted pace of growth in the global economy; a more active industrial policy from some competitor nations; the challenge of climate change and the opportunity of the green transition; companies globally grappling with the next step on their diverse digitalisation journeys; and of course the AI revolution that is taking place.**

**Ireland's ability to compete in this changing world is also dependent on having the right set of enabling conditions in place. The national competitiveness challenges encountered during our current strategy are well understood at this stage and include issues relating to energy costs and renewable energy provision, housing, infrastructure, and utilities. With countries around the world vying to win the race for the next generation of FDI growth, the opportunity cost of not addressing these issues in a timely manner, particularly sustainable energy supply, risks being sizeable. Against this national and international background, IDA's focus for 2024 will be on developing a new organisational strategy while at the same time ensuring the organisation continues to do what it has done well for many years.**

**Our approach in 2024 recognises the need to help the Irish operations of global firms transform to thrive in a fast-changing world. IDA is actively partnering with client companies on investments in talent development, digitalisation, R&D, innovation, and sustainability, including decarbonisation.**

**Ireland's existing enterprise and talent base places us in an enviable position as the twin green and digital transitions reshape the global economy. With the requisite national enabling conditions in place – aligned to emerging FDI attractiveness factors such as AI skills and renewable, reliable, affordable energy – we will be well placed to capture new investment opportunities.**

Over the coming months, IDA's strategy development process will focus on these new opportunities and the steps we need to take as an Agency and as a country to realise them. At the same time, we will assess how best we can continue to support our existing client companies to maintain and enhance the economic impact and opportunity that they provide for people throughout the country.

While I expect the pipeline of projects to continue to be strong as we move through 2024, the challenges we face to stay to the forefront of attractive locations to invest in are significant. However, I can assure this Committee that the Board, and indeed the entire organisation understands these challenges and I have no doubt we will give our all to rise to them.

Ends