Opening Statement: The Committee on Budgetary Oversight: Measures to address the cost of financing business in Ireland in advance of Budget 2027 with a focus on taxation and spending measures.

Introduction

- Good morning and thank you to the chair of the committee on Budgetary Oversight for the invitation today. The global economic environment is becoming increasingly uncertain, reflecting heightened geopolitical tensions, trade fragmentation, supply chain disruptions and growing economic security concerns. Ireland's openness to trade, foreign investment and global value chains remains a key competitive strength but increases exposure to external economic and geopolitical shocks. Access to finance remains an important issue for many Irish businesses, particularly SMEs and microenterprises. The Department has sought to address financing gaps through a range of loan and guarantee schemes that support business investment, ease financing constraints and ensure that viable businesses can access appropriate sources of finance at different stages of their development.

- These interventions have helped businesses to navigate periods of economic uncertainty, invest in productivity-enhancing measures and strengthen their long-term resilience. The availability of affordable finance continues to be an important component of supporting enterprise activity, competitiveness and employment across the economy.

Finance Support Ecosystem

- We are continuing to strengthen the finance support ecosystem through measures such as the increase in Microfinance Ireland's lending limit, which has seen strong uptake. In addition, we are working on an expansion and extension of the Growth and Sustainability Loan Scheme, reflecting the strong demand from businesses for affordable finance. Collectively, these initiatives are helping businesses to access the finance they need to invest in productivity, competitiveness and decarbonisation, supporting a stronger, more resilient and sustainable enterprise base.

- Alongside debt finance, access to equity finance remains critical for innovative and high-growth enterprises. The Seed and Venture Capital Scheme has been instrumental in developing a strong pipeline of innovative, high-growth Irish companies, and the new €250 million cycle will leverage significant additional private investment into innovative Irish SMEs.

- Building on the success of the Seed and Venture Capital Scheme the Department is now examining what needs to be done for businesses at the next stage of their development – the scale-up stage.

- Enterprise Ireland continues to support the development of a competitive, productive and resilient indigenous enterprise base. A key focus of its strategy is supporting firms to grow and scale internationally through a combination of grant, equity and advisory supports that enhance productivity, competitiveness and long-term business sustainability.

- Enterprise Ireland is also progressing the delivery of Start-Up Ireland as a strategic national initiative to strengthen Ireland's start-up ecosystem, including the development of a new National Accelerator Programme to succeed the NDRC. This work is intended to support the growth of high-potential, globally scalable enterprises and complements our wider enterprise strategy to help firms start, grow, scale and compete internationally.

- The Department continues to focus on improving the overall supports ecosystem for SMEs. The National Enterprise Hub is providing a single point of access to Government business supports, helping enterprises navigate the range of services available across Departments and agencies. Engagement with the Hub has continued to increase, reflecting demand from businesses for simplified access to information and support.

- The Department is also working with Enterprise Ireland, the Local Enterprise Offices and Local Authorities to reduce administrative burdens on businesses. Recent work to streamline LEO grant application forms has significantly reduced information requirements for applicants, while further reforms are being examined to improve consistency across services and enhance the responsiveness of support

IMD world competitiveness index: Ireland

- From a competitiveness perspective, as of 2026, Ireland is ranked as the 7th most competitive country in the IMD World Competitiveness Rankings. Ireland improved across almost all competitiveness trends, particularly under Business Efficiency where our position increased from 11th in 2025 to 5th in 2026, and Economic Performance where our ranking increases from 9th in 2025 to 2nd in 2026. Ireland's ranking for Infrastructure worsened from 17th in 2025 to 19th in 2026, whereas Government Efficiency remained stable at 5th place for 2025 and 2026. It is important that we do not take our competitive strengths for granted, and that we continue to progress on those areas of relative weakness.

Action Plan on Competitiveness and Productivity

- In recognition of the challenges facing Ireland, the Government published a whole of Government Action Plan for Competitiveness and Productivity in September 2025. This Action Plan contained 85 actions for enhancing Ireland's competitiveness and productivity performance, with 26 of these identified as priority actions. There are a number of key actions from the Action Plan which have already been delivered or are due for completion in the coming months.

Cost of Business Advisory Forum

- In addition, the Cost of Business Advisory Forum was established and held its first meeting in June 2025, delivering on a commitment set out in the Programme for Government. The discussions focused on addressing the core issue of reducing and curtailing the costs for business. The Forum brings together businesses of all sizes across sectors including retail, tourism, agriculture, and professional services. Over the last year, it has facilitated solution-focused dialogue between enterprise representatives, policymakers, and regulators focusing on steps to mitigate business costs and reduce regulatory burden.

- The Forum's Final Report is currently being finalised and will be presented to Government in the coming weeks. Following its publication, the Forum members expect to receive a formal Government response and has agreed to reconvene in approximately six months' time to review the implementation progress against the agreed actions.

Possible Tax and Spending measures / considerations for the Budget

- In relation to the annual budgetary process, officials in the Department of Enterprise, Tourism and Employment maintain regular engagement with officials in the Department of Finance, in addition to the engagement that is held at Ministerial level. This Department prepares an annual Pre-Budget Submission focused on tax measures, which informs discussion between the Ministers of the respective Departments. The Minister for Enterprise, Tourism and Employment has made clear that his central priorities are to incentivise work, assist Irish businesses in managing economic uncertainty, and drive innovation and entrepreneurship. These priorities will be reflected in our Pre-Budget Submission that is currently being prepared.

- The Department also engages with the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation to set out an expenditure bid within the preset parameters outlined in the Summer Economic Statement. The bid relates to current expenditure only and is followed by a series of explanatory meetings and bilateral ministerial meetings to reach a final settlement in advance of Budget day. Capital expenditure ceilings are already agreed through to 2030 under the National Development Plan.

- I would also acknowledge that the overall Budgetary package will have to be considered in light of the fiscal parameters set out in the Summer Economic Statement, which will be made clear over the next while. Ultimately, tax and spending measures in Budget 2027 will be a matter for the Minister for Finance and the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation respectively.