



Rialtas na hÉireann
Government of Ireland

Update to Ireland for Finance

The strategy for the development of
Ireland's international financial
services sector, extended
to 2026

Spotlight on Sustainable Finance

Action Plan 2024

Prepared by the Department of Finance
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Minister of State's Foreword



We are at a really exciting and transformational time in the development of Ireland's thriving international financial services sector as the world of finance moves forward with new advancements in technology and a more urgent global response to climate change.

In a close partnership between Government and industry, we have built up a highly regarded and very well connected international financial services sector in Ireland directly employing an estimated 57,600 people. It is a sector that continues to contribute positively to our economy and society since the establishment of the Irish Financial Services Centre some 4 decades ago. We are at a pivotal moment for the next step of financial services in Ireland as the twin powerhouses of fintech and sustainable finance look to change the course of investment and delivery of financial services products over the coming years.

Therefore, I am delighted to introduce to you the Action Plan 2024 under the updated *Ireland for Finance* strategy which sets out how the Irish Government and industry continue in partnership to enhance the environment for financial services firms in Ireland, and to improve our competitiveness as an attractive location for innovation and for international business.

I am very grateful to the many contributors and the members of the working committees who have been vital to bringing together this Action Plan and

to the achievement of our goals in implementing the overall *Ireland for Finance* strategy to date. Thank you.

However, our work continues every year. The Action Plan 2024 contains 13 action measures and ancillary work under five interconnected themes of the strategy: Sustainable Finance, Fintech and Digital Finance, Diversity and Talent, Regionalisation and Promotion, and Operating Environment.

This year we have put a particular spotlight on Sustainable Finance. The climate transition presents a wealth of new opportunities for Ireland's international financial services sector to play a central role. There will be a particular focus on developing the required skills to best support the build out of new and innovative sustainable finance products and services of the future. This will help keep Ireland on the path to becoming a global leader and a hub for international sustainable finance.

I am conscious too that the international attractiveness of Ireland for sustainable finance is inexorably linked with the domestic sustainable

finance environment. In parallel, with our work with the Action Plan 2024 under the updated *Ireland for Finance* strategy, I have asked officials to engage with stakeholders, to review the domestic sustainable finance market in Ireland, and to identify any consequent policy measures which can be pursued to promote and unlock financing activity here.

The Action Plan 2024 will also see the progression of a number of exciting initiatives in fintech and digital finance. We will see a lot about this in 2024. I am already pleased to see the Central Bank of Ireland's proposals to enhance their existing Innovation Hub and establish an Innovation Sandbox Programme this year. I also welcome further public-private collaborative work on proposals and models for fintech hubs.

I am personally committed to Ireland having its own dedicated Fintech Hub to foster innovation and help fintech companies with their speed to market and capacity to scale. This is a huge opportunity for Ireland given our position as a leading tech centre in Europe, as well as a centre for finance and this represents a significant opportunity to support and bolster Ireland's innovators and entrepreneurs.

In the last few years, we have made considerable progress in the area of diversity in financial services, and this will continue to be a focus of attention through the implementation of the strategy in 2024. By the end of December 2023, 81 organisations had signed Ireland's *Women in Finance Charter*. I continue to engage with as many firms as possible to help drive the social change that is needed to make sure we have the best opportunities for everyone working in the industry and the culture to attract and retain key female talent in financial services and connected industries. The Taoiseach and I will



The climate transition presents a wealth of new opportunities for Ireland's International financial services sector to play a central role.

be placing a very direct focus on this as the year progresses with a celebration of those who have taken this important step in July 2024.

While there are always challenges for both governments and industry to face, it is important that Ireland continues to adapt to the ever-changing landscape and to capitalise on the exciting opportunities that exist in the international financial services sector. I will continue to work with colleagues across Government, with our enterprise development agencies and with industry to promote Ireland as the destination of choice for financial services firms, while endeavouring to ensure that we are home to a diverse, skilled and agile workforce.

Dr. Jennifer Carroll MacNeill TD

Minister of State with responsibility for Financial Services, Credit Unions and Insurance

Spotlight on Sustainable Finance

Executive Summary

Sustainable Finance continues to present the Irish international financial services industry with a unique opportunity. While the need to respond to climate change and biodiversity loss is a serious policy challenge for Ireland and all governments, the diverse nature of activities and sectors covered by the *Ireland for Finance* strategy have created the conditions for Ireland to play an important role in the transition to a sustainable future.

Sustainable finance plays a pivotal role in addressing challenges such as climate change, just transition and nature degradation by channelling financial resources into emissions reductions, adaptation, and resilience-building efforts. At the core of the *Ireland for Finance* strategic response is the national Sustainable Finance Roadmap. With its five pillars providing key direction and structure, in the two years since its publication the broader environmental, social and governance (ESG) and sustainable finance agendas have continued to grow in prominence with policy makers, regulators, financial services firms and the wider public.

Today, sustainability themed financial products have become an important feature of the investment landscape and span all sectors from investment management to banking and insurance, and include bonds, funds, and Exchange Traded Funds (ETFs). Irish domiciled ETFs broke the €1 trillion barrier for assets under management (AUM) for the first time at the end of June 2023.

There has also been exponential growth in the sustainable debt capital markets. The green bond market has seen extraordinary growth with the green label continuing as a prominent global theme for companies and governments looking to raise money. With Euronext Dublin, formerly the Irish Stock Exchange, as a centre of excellence for green bonds and sustainable investment products, Ireland is particularly well placed to continue to benefit from the financing of the net zero, nature positive and just economic transition.

Ireland's response

Establishing Ireland as a centre of excellence in sustainable finance that supports national and international ambitions is a key element in Ireland's Climate Action Plan. The Irish Government has a legal commitment to reducing emissions and achieving net-zero status by 2050, and the financial sector, orchestrated under the *Ireland for Finance* strategy will play a pivotal role in meeting these ambitious goals. Ireland's Sustainable Finance Roadmap included the establishment of an International Sustainable Finance Centre of Excellence (ISFCOE) to serve as an essential platform in meeting Ireland's ambitions. Supported by Skillnet Ireland, EU Climate-KIC and industry, the ISFCOE now serves as a vital platform facilitating the development of technical knowledge, research, skills and product development in sustainable finance across the full spectrum of international financial services sectors.

To date, over 3,000 Irish based financial sector staff have been upskilled in sustainable finance ensuring Irish located professionals are in a position to support innovation and embrace new emerging thematic areas on both a risk and opportunity basis. A deeper domestic skills base will help us to further partner with providers of domestic capital to drive sustainable investment. Alongside attracting further global capital to Ireland, we want to leverage pools of local capital from insurers, pension funds, wealth managers and others already based here in Ireland. Irish firms can and will make an important contribution to the financing of the local and global energy transition.

Ireland as a leader in sustainable finance activities

Ireland was also among the first wave of European countries to issue Sovereign Green Bonds. Multiple issuances, including a recent 2023 20Y €3.5 billion transaction, has resulted in Green Bonds now accounting for over 7 per cent of Ireland's total benchmark bonds. Ireland was also one of the first countries in the world to withdraw public money from investment in fossil fuels. The State is also an active investor in the climate transition with the National Treasury Management Agency (NTMA) having a €1 billion five-year climate action investment programme through the Ireland Strategic Investment Fund (ISIF).

And in Budget 2024, an Infrastructure, Climate & Nature Fund to deal with the pro-cyclicality of capital spending was announced. A reserve of funding will be established over time to provide for resources for capital spending in a future downturn to support capital expenditure through the business cycle.

It is intended that €2 billion will be invested in this fund each year from 2024 to 2030, building a fund of up to €14 billion. That €14 billion figure equates to the average annual amount of capital expenditure under the National Development Plan over 2023-2028. The resources of the Future Ireland Fund and the Infrastructure, Climate & Nature Fund – will amongst other uses help to support climate-related initiatives over the medium and long term.

Climate change is now a strategic priority of the Central Bank of Ireland (CBI) and it has established a dedicated Climate Change Unit, a Climate Forum and published a Sustainable Investment Charter for its own investment assets.

Government and the CBI are also active in several international sustainable finance platforms, with the Department of Finance a member of the *Coalition*

of Finance Ministers for Climate Action, and CBI a member of both the *Central Bankers Network for Greening the Financial System* and the insurance regulators *UNDP Sustainable Insurance Forum*.

Dublin also hosts the global secretariat of the United Nations *Financial Centres for Sustainability (FC4S)* network, a grouping of 42 financial centres providing Ireland with the opportunity and the means to stand among our global peers as a leader rather than a follower in the transition to a low-carbon economy.

This level of government support and activity is an important differentiator for Ireland in sustainable finance and is a critical component in protecting and growing the international financial services sector.

Conclusion

Climate change and biodiversity loss is a complex policy area and progress towards the ambitious targets set at an international level will not be linear and will undoubtedly feature debates that reflect the range of views among the many stakeholders involved. That being said, the scale of the challenge and the opportunity it presents for financial services will keep it at the top of the agenda for firms across all sectors.

As a result of the work done under the *Ireland for Finance* strategy in developing an international sustainable finance centre of excellence, the ISFCOE, and the high levels of commitment and co-ordination across government and industry we are well placed to capture the opportunities that sustainable finance is creating.

The 2024 Action Plan will augment and accelerate the leadership we have shown to date, particularly in the area of skills development underpinning a new wave of product and services innovation in sustainable finance cementing Ireland's leadership credentials.





THEME
1

**Sustainable
finance**



Key Message

Climate change and environmental degradation are the defining global challenges of our time – as acknowledged by the European Union¹. The EU has committed itself to become the first climate-neutral region by 2050 and to reduce greenhouse gas emissions for the region by at least 55 per cent by 2030. The EU also aims to strengthen its resilience to climate change, to reverse both biodiversity loss and the broader degradation of the environment, and to do so in a manner that leaves nobody within the EU behind in the process.

Within our international and European commitments and goals, Ireland is taking actions specific to our circumstances and national legally-binding emissions reduction targets. This includes those established under the Climate Action and Low Carbon Development (Amendment) Act 2021 to reduce Ireland's greenhouse gas emissions by 51% by 2030 (relative to 2018) and pursue the transition to a climate resilient, biodiversity rich and climate neutral economy by 2050.

The Government's Climate Action Plan sets out the range of measures needed for Ireland to reduce greenhouse gas emissions to this effect and tackle the climate crisis. The Plan is updated annually to enhance the range of measures and actions to continue Ireland's journey towards the required emission reductions, whilst ensuring a just transition. Initiatives in sustainable finance relating to international financial services are complementary to the ambitions in the Climate Action Plan.

In 2018, Ireland became one of the first countries to divest public money from fossil fuel assets.

Since the launch by the National Treasury Management Agency of Ireland's first sovereign green bond (ISGB) in 2018, a total of €10.8 billion of proceeds have been allocated to eligible green projects. Examples of the types of projects which receive allocations include retrofit programmes, investment in public transport and flood relief

schemes. A second ISGB was issued in January 2023, for a nominal value of €3.5 billion, with the allocations applied in accordance with the Irish Sovereign Green Bond Framework.

In the context of Ireland's commitments to reduce domestic carbon emissions, IDA Ireland and Enterprise Ireland engage with many of their client companies to ensure they incorporate environmental sustainability into their local strategies. This includes co-funding new technologies to improve energy efficiency and providing information to companies on emerging ESG standards and compliance requirements.

The Climate Toolkit 4 Business is designed to assist firms in tackling their emissions by means of providing an estimated carbon footprint and generating a tailored Action Plan. The Toolkit was developed by the Government of Ireland in partnership with Enterprise Ireland, Local Enterprise Offices, IDA Ireland, the Sustainable Energy Authority of Ireland (SEAI), Skillnet Ireland, Ibec, Chambers Ireland, Uisce Éireann, the Environmental Protection Agency (EPA), and Fáilte Ireland.

In Budget 2024, a new angel investment scheme was announced that will provide a reduced Capital Gains Tax rate of 16 per cent and will be a catalyst for promoting early-stage investment in green, innovative companies.

¹ Overview of sustainable finance (europa.eu)

Sustainable finance and the role it can play in addressing climate change

Sustainable finance refers to the process of taking environmental, social and governance (ESG) considerations into account when making investment decisions in the financial sector, leading to more long-term investments in sustainable economic activities and projects.

The financial services sector has a significant role to play in the fight against climate change, both domestically and internationally, in shifting financial flows away from activities harmful to the climate and environment, and towards lower emissions and sustainable development. The EU has been extremely active in enacting sustainable finance legislation with the primary objective of helping to channel private financial flows into economic activities that contribute to combatting climate change. Internationally, in 2023 important industry developments included the International Sustainability Standards Board (ISSB) issuing its inaugural global sustainability disclosure standards. The Standards create a common language for disclosing the effect of climate-related risks and opportunities on a company's prospects. This should improve trust and confidence in company disclosures about sustainability to inform investment decisions. The standards fully incorporate the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD).

In addition, the Taskforce on Nature-related Financial Disclosures (TNFD) published its corporate reporting recommendations on nature-related issues to enable the achievement of the policy goals of the Kunming-Montreal Global Biodiversity Framework, and these disclosure recommendations are structured around four pillars, consistent with the TCFD and ISSB standards.

Ireland's role in EU policy and legislation

Ireland has taken an active role in influencing the sustainable finance agenda at the European level and in the detailed work that is involved



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in negotiating the various legislative proposals. European leadership is key to global efforts. Guided by the European Green Deal and successive sustainable finance strategies, work at the EU level has been ongoing to further build upon the taxonomy of sustainable economic activities to ensure there is a common, pan-European consensus on the nature and extent of economic activities that can be considered sustainable. The taxonomy for sustainable activities is at the core of the EU's sustainable finance framework and has implications for the private and public sector as well as for policy-making across Government. The EU taxonomy of sustainable economic activities is a tool to help investors understand whether an economic activity is environmentally sustainable and can navigate the transition to a low-carbon economy².

In June 2023, the European Commission published a package of measures aimed at building on and strengthening the foundations of the EU sustainable finance framework. This package and the overall EU sustainable finance agenda can support companies and the financial sector by encouraging private funding of transition projects and technologies and facilitating financial flows to sustainable investments. This package contains elements related to the EU taxonomy, ESG ratings providers, the usability of the EU sustainable finance framework, and transition finance.

A key part of the 2023 EU package is the Sustainable Finance Disclosures Regulation (SFDR) that aims to bring a level playing field for financial market participants and advisers on transparency in

² Transitional activity: activities for which low-carbon alternatives are not yet available. These can be aligned under the taxonomy if they have greenhouse gas emission levels that correspond to the best performance in the sector or industry.

relation to sustainability risks, the consideration of adverse sustainability impacts in their investment processes and the provision of sustainability-related information with respect to financial products. Concerns have been expressed that SFDR has thus far not been effective in tackling greenwashing and that the EU disclosure regime is being used as a marketing/labelling regime. In order to address such concerns the European Commission launched a consultation, in September 2023, on the implementation of SFDR. Also in September 2023, the Central Bank of Ireland published details of an initial review it conducted of SFDR implementation by the Irish funds sector.

Under the SFDR, financial products are classified into three groups: Articles 6, 8 and 9. Article 6 products are those that do not claim to meet sustainability criteria. Article 8 products are those that promote environmental or social characteristics among other objectives (referred to as 'light green'). Article 9 products are those that follow an explicit sustainable investment strategy (referred to as 'dark green').

Another important regulation in the area of ESG that came into force in 2023 is the Corporate Sustainability Reporting Directive (CSRD) that will significantly extend the reach of ESG reporting obligations to a wider range of companies. Legislation is also being progressed in the EU that will provide for the regulation of ESG rating providers, with the overall aim of improving the reliability, comparability and transparency of ESG ratings.

In October 2023, the EU Council adopted a regulation to create a European green bond standard. Over time all the proceeds of European green bonds will be invested in economic activities that are aligned with the EU taxonomy for sustainable activities. The green bond market will be instrumental in funding the necessary steps to achieve the EU's climate goals.

For the banking sector, there are several initiatives underway in the context of the implementation of the European Central Bank (ECB) Guide on Climate and Environment-related Risk and evolving ESG Pillar 3 reporting requirements as laid down under the Capital Requirements Regulation. These support bank integration of climate and environment-related risk into their Risk Appetite Frameworks, business models and strategies. One example is the BPF-led project on ESG Pillar 3 reporting requirements which is a collaborative project involving the Irish domestic banks and has been established to enable the banks to follow a standardised approach to ESG disclosures and to benchmark their progress with peer banks in the EU. In the context of new and inter-related ESG disclosure requirements under the Corporate Sustainability Reporting Directive (CSRD), the Capital Requirements Directives (CRD), and the EU Taxonomy, it provides an opportunity for stronger collaboration in defining, sourcing and managing ESG data and is expected to lead to related initiatives with the banking sector.



Science Based Targets initiative (SBTi)

Ireland is unique in Europe and leading globally in having more than 70 per cent of lending to the domestic economy made by banks that have validated science-based targets. In a significant development for sustainable finance in Ireland, both AIB and Bank of Ireland have received formal validation by the Science-Based Targets initiative for particular goals and targets. The SBTi is a collaboration between the Carbon Disclosure Project (CDP), the United Nations Global Compact, the World Resources Institute (WRI), and the Worldwide Fund for Nature (WWF). It defines and promotes best practice in science-based climate target setting and independently assesses companies' emissions reduction goals.

Ireland's strengths in sustainable financial services

Ireland is an international leader in asset management. Across the EU and globally, firms in this sector continue to develop the expertise to comply with the goals of the variety of sustainable finance legislation, and Ireland is a potential strong base for this activity. Several asset managers in Ireland are part of the Net Zero Asset Managers initiative, including Irish Life Investment Managers and Amundi. This is an international group of asset managers committed, consistent with their fiduciary duty to their clients and beneficiaries, to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.5 degrees Celsius and to supporting investing aligned with net zero emissions by 2050 or sooner.



Case Study

Irish Life and Irish Life Investment Managers

Profile

Irish Life Group (“Irish Life”), as part of the Great West LifeCo group provides a leading range of pensions and investments, income and life protection, and health insurance.

Irish Life’s primary asset manager within the group – Irish Life Investment Managers – (“ILIM”) is an institutional asset manager managing assets on behalf of a range of global clients across Europe, US and Canada.

Headcount: Irish Life has *circa* 2,200 full time employees (of which ILIM has *circa* 220 full time employees).

Key Sustainability Highlights

Over the last five years, Irish Life and ILIM have established themselves as responsible investment leaders in the Irish market. Notable highlights include:

Market Leadership: Irish Life and ILIM have led the domestic Irish market with a corporate commitment to Responsible Investment and Climate Action. ILIM was an early adopter of the Taskforce for Climate-related Financial Disclosures (TCFD) reporting framework which was later formalised into a Net Zero Commitment. Irish Life was also the first company to launch a national advertising campaign promoting how people’s pensions could provide benefits for the planet.

Innovation: Through ILIM, Irish Life was the first company in Ireland to convert its range of flagship funds to meet the requirements of SFDR Article 8.

Responsibly Managed AUM Growth: ILIM has increased its responsibly invested assets (SFDR Article 8) to 50% of total assets under management.

Talent and Upskilling: ILIM has established a dedicated Responsible Investment team based in Dublin. It has organised comprehensive training

programmes on sustainability, for its institutional clients, Irish Life’s financial adviser networks, and other parts of the Irish Life Group.

Global Positions: Great West LifeCo have based their VP – Global Sustainable Investments in Dublin

The Talent Challenge

Irish Life and ILIM approached the challenge of access to talent for its sustainability strategy through a twin track approach: of establishing a dedicated responsible investment team and establishing a comprehensive upskilling programme across its employee base.

Key Benefits of working within the Irish ecosystem

Irish Life and ILIM have had a long-term partnership with ISFCOE (formerly Sustainable Finance Ireland), Sustainable Finance Skillnet and more recently Sustainable Centres of Excellence. ILIM identified a number of key benefits from their partnership and engagement including;

1. Education Course Sourcing and Grant Finance:

The Sustainable Finance Skillnet has access to a range of high quality sustainability courses available from highly reputable education providers and can provide grant finance to support the costs of the roll out to a business.

2. Knowledge Sharing: The Centres of Excellence provide opportunities for industry collaboration and knowledge sharing to address common challenges or emerging areas of focus.

3. Expertise and Guidance: The pace of the evolution of the regulatory landscape, the need to navigate developing best practice models, and the emergence of new tools to support our sustainability needs and practices all require cross industry engagement and collaboration. In addition, the opportunity to learn and leverage from others’ experiences is essential in a space where pace of change is critical to business success. ILIM particularly benefited from structured engagement with regulators, policy makers and peers (both domestically and internationally).

Major opportunity

As investor demand for sustainable solutions and ESG-aligned investment products continues to rise, ESG is considered a high-growth area in the fund and asset management industry. The incorporation of ESG criteria into strategies and the establishment of dedicated sustainable funds is a key opportunity both for the industry and for Ireland. Given Ireland's position as a leading hub for the global funds industry, there is a significant opportunity to establish and promote the country as an ESG leader for product structuring and development. The industry can also leverage the digital innovations that form part of Ireland's fintech offering to amplify environmentally conscious investment strategies.

It is clear that the Irish funds landscape is evolving, with an increasing number of funds focusing on environmental and social objectives. As of 30 September 2023, there were 4,756 Article 6 funds authorised and domiciled in Ireland with €2.56tn Net Asset Value (NAV), with 1,720 Article 8 funds with €1.23tn NAV and 166 Article 9 funds with €30.2bn NAV. However, it is noteworthy that in the year ending September 2023, the Central Bank authorised 96 Article 6 funds, along with 78 Article 8 funds and 14 Article 9 funds. This shows an increasing trend of funds being authorised which promote ESG characteristics.

In addition to other investment funds, products such as Undertakings for Collective Investment in Transferable Securities (UCITs) and Alternative Investment Funds (AIF) which promote environmental and social characteristics or have sustainable investment as their objectives, Exchange Traded Funds (ETFs) can provide a particularly accessible and cost-effective way for investors to gain exposure to companies focusing on such objectives. ETFs, which are collective investment schemes that are traded on stock exchanges, were first launched in Europe in 2000, and Ireland has since become a centre of excellence for such funds. At the end of June 2023, Irish domiciled ETFs broke the €1 trillion barrier for assets under management (AUM) for the first time and Ireland has approximately 70% of the AUM in ETFs in the EU (ECB, Q3 2023). This has been possible for a variety of reasons including Ireland's supportive regulator and a highly developed ETF ecosystem - covering areas such as administration,



For decades, Irish companies have been globally active in developing, financing and delivering large-scale wind and solar projects, both in developed and emerging markets. Thus there is expertise, including a professional services ecosystem that is sought after globally.

custody, legal, tax, accounting and auditing, product development and thought leadership.

For decades, Irish companies have been globally active in developing, financing and delivering large-scale wind and solar projects, both in developed and emerging markets. Thus there is expertise, including a professional services ecosystem that is sought after globally. As such, international firms are setting up teams in Ireland to harness this expertise.

The recently developed industry-led Irish Sustainable Finance Fintech Strategy aims to accelerate and facilitate the use of fintech solutions in sustainable finance initiatives. For example, digital technology and AI have the potential to assist companies and financial institutions with accurately measuring, reporting and verifying their ESG data. The performance of data analysis to support increasing the sustainability of assets is one of Ireland's strengths, assisted by the high standard of data available in the EU.

An example of this is the work of Fexco in measuring carbon output from aircraft through the Platform for Analysing Carbon Emissions (PACE). As part of the development, UCC's FINTECHNEXT forecasting engine was tested in the platform. This important collaboration between industry and academia is a strength evident in Ireland.

Ireland has established a global reputation as an industry leader in aircraft leasing dating back to the foundation of Guinness Peat Aviation in the 1970s by Aer Lingus. An industry report published by PWC entitled "Taking Flight 2023" estimated that the industry provides for over 8,500 full time equivalent jobs, an economic contribution of

\$975 million annually, and spending with Irish suppliers of \$327 million each year. The report also stated that Ireland now has a 60% share of the global leasing marketplace and is home to over 50 leasing companies, including 19 out of the world's 20 top lessor companies.

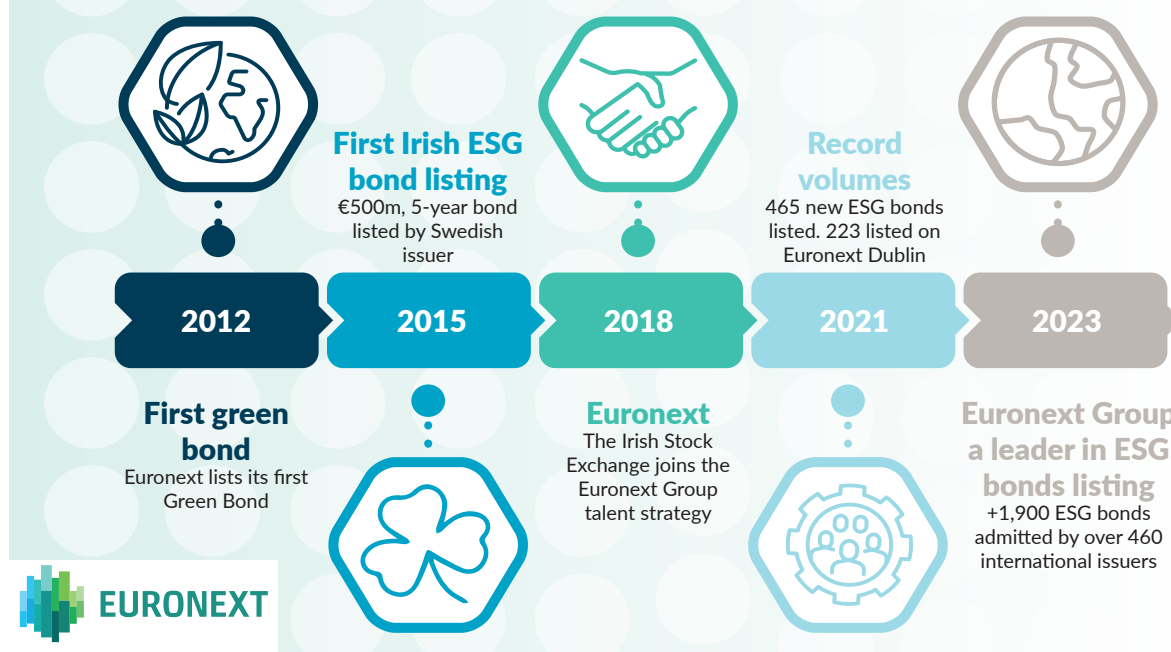
Aircraft Leasing Ireland has developed a 10-point sustainability charter to establish a framework for assessing and disclosing sustainability alignment for its leasing portfolio and to provide actions to achieve greenhouse gas reductions. While it may not be possible with current physics to get to net zero in aviation, the industry will focus on developing a Sustainable Aviation Fuel (SAF) offering. It is hoped that eventually wind energy will be used to develop hydrogen-based SAFs for aviation and feasibility studies have been

conducted. The funding regime in Ireland for the development of SAF merits further consideration.

Euronext Dublin is the hub for the Euronext Group ESG bond listing and attracts 39 per cent of the entire ESG bond listing flow of the Euronext Group which operates across seven European markets. €177 billion has been raised for ESG purposes in Dublin since 2015. In 2022, Euronext introduced a new list for ESG bonds from companies with the most ambitious climate targets, aligned with the aim to limit the global temperature increase to 1.5°C. To be included in this listing, issuers of ESG bonds must be committed to science-based climate targets for a 1.5°C pathway, validated by the Science Based Targets Initiative (SBTi). 290 of these bonds have been listed in Dublin raising approximately €65 billion, showing Ireland is in a leadership position.

ESG Bonds Listing on Euronext with a focus on Ireland

Within the Euronext Group, Dublin is the centre of excellence for debt listing with over 44,000 bonds listed. Thanks to its international exposure and strong relationships with the key debt capital market stakeholders, Euronext Dublin has gained a central role also in the listing of ESG bonds, listing its first ESG bond in 2015.



In 2022, Euronext introduced a new list for ESG bonds from companies with the most ambitious climate targets, aligned with the aim to limit the global temperature increase to 1.5°C. To be included in this section, issuers of ESG bonds must have committed to science-based climate targets for a 1.5° pathway, validated by the Science Based Targets Initiative (SBTi). There have been 290 of these bonds listed in Dublin raising approximately €65 billion.

There may be opportunities to attract further sustainable finance business to Ireland in relation to green bonds and we welcome industry stakeholders working further on this.

Many major banks, including banks with their European headquarters in Ireland, are engaging in sustainable finance across their lending book and capital markets activities. 75 per cent of Irish located international banks are involved in their group's implementation of sustainable finance activities, supporting issuers through the origination and placement of sustainable debt in the public and private markets across the world.

Ireland has a depth of international banks operating in the country, represented by the Federation of International Banks in Ireland (FIBI). 17 of the top 20 global banks have operations here employing more than 14,200 people across the country. These global banks play a critical role in financing the transition towards a low-carbon economy and their expertise is a real benefit to Ireland, such as integrating sustainability into their organisations across multiple jurisdictions, managing climate-related risk and financing large-scale green investments. They have implemented the ECB 2020 Guidance on Climate and Environment Risk which has proven fundamental in integrating climate into banks' business models, strategies and Risk Appetite Frameworks. These banks are well equipped to be a key enabler of related initiatives in this Action Plan.

The insurance industry in Ireland are key agents of change in the move towards a more sustainable economy and society. Insurers compensate for losses, model risks, raise awareness, develop new products and build sustainable investment portfolios.

The transition to a carbon-neutral economic model requires long-term financing and insurers are amongst the most significant institutional investors. Many insurers have started to screen their



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investments using ESG criteria and increase their sustainable investment commitments. As a result, insurers are significant investors in green, social and sustainable financial instruments, such as bonds, investments into equity funds, debt funds or funds of funds and guarantees to financial institutions.

Case Study

TD Securities

TD Securities is the investment bank of Toronto-Dominion Bank Group, which is a top 10 North American Bank with over 100,000 employees across its retail and investment bank. TD Securities has approximately 200 full time employees in based in Dublin. The below lists some key ESG transactions the team in Dublin have been involved in:

- AIB Group – TD jointly led the issuance and selling of a EUR 500 million green bond in October 2023
- Jointly-led the European Investment Bank's (EIB) largest-ever Sustainability Awareness Bond, a USD 4 billion 5y benchmark maturing in November 2027
- ING Groep– Joint lead manager on a GBP 800 million green bond. This was the largest ever Sterling ESG bond for a Financial Institutions Group (FIG) issuer at that time
- Twice led NextGeneration European Union social bonds for a total issuance size of EUR 23 billion
- Twice led NextGeneration European Union green benchmarks, including the first ever green bond for the European Union which holds the record for the largest green bond issued - a EUR 12 billion 15y green benchmark

Finally, to add to these market moves, climate risk is now a strategic priority of the Central Bank of Ireland with the establishment of a dedicated Climate Change Unit and it has published a Sustainable Investment Charter for its own investment assets. In addition, the Central Bank established a Climate Risk and Sustainable Finance Forum in 2022. Part of its work has been to assess the status of sustainable finance capability in Ireland's financial services sector and to recommend action to address any gaps so as to enable financial

professionals to have the skills and capabilities to support the crucial role they need to play in the transition to the green economy. In line with the EU Sustainable Finance Action Plan and related regulatory measures driving this transition, financial market participants must identify and manage ESG risks and opportunities in investments and capital markets. The Forum's Capacity Building Working Group reported in December 2023 with a comprehensive desktop review of the existing evidence base, best international practice and a real economy survey of Irish financial market participants. The follow-up to this work will be an important strand of the Forum Working Group in 2024 and beyond.

Update to Ireland's Sustainable Finance Roadmap

With a view to Ireland being a leading sustainable finance centre by 2025, this industry-led roadmap sets out a range of actions to be undertaken in the coming years to ensure Ireland manages the challenges and maximises the opportunities that arise from the transition to net zero.

These span five pillars:

- developing talent
- driving industry readiness
- leveraging digital technology
- ensuring an enabling environment, and
- promotion and communication.

A key part of the roadmap is the establishment of an International Sustainable Finance Centre of Excellence (ISFCOE) which will deliver the skills necessary for the financial services industry to finance a net-zero future. The aim is for the Centre to become an international hub from which the finance industry in Ireland will develop its response to sustainability demands. The Centre will also play a leading role in research and talent development to respond to sustainability requirements and to facilitate Ireland's net zero transition. This will require collaboration with a large number of public and private sector stakeholders. In addition, the ISFCOE is a member of the United Nation's Development Programme (UNDP) Financial Centres for Sustainability (FC4S) Network. This is

Ireland's Sustainable Finance Roadmap Priorities 2024-2025



a global network of 40 financial centres, working together to achieve the objectives set by the 2030 Agenda for Sustainable Development and the Paris Agreement.

A review and update of the industry-led Sustainable Finance Roadmap 2021 took place in Q4 2023 to take into account legislative developments, market research and stakeholder engagement, and to ensure that Ireland can take advantage of the emerging opportunities and build on its progress in 2024 and 2025. Now at the midway point, the next phase of the Roadmap implementation will focus on prioritising the below five actions across the Roadmap's five pillars, plus the development of a dashboard to track progress across the entire Irish sustainable finance landscape:

- accelerate the human capital required
- establish an innovation programme to support the development of new products and services
- build a sustainable finance data roadmap
- make proposals for legislative changes so that the environment is representative of best practice in sustainable finance
- deliver a coordinated public-private campaign to promote Ireland as a centre for sustainable finance

Building capacity for sustainability

Ireland is unique and is in a strong global leadership position as it has put in place a comprehensive sustainable finance talent development programme led by Sustainable Finance Skillnet. This is a specialist network promoted by the International Sustainable Finance Centre of Excellence (ISFCOE) and supported by Skillnet Ireland.

At a subsector level - the funds industry, insurance, retail banking and credit unions - significant skills need assessments have been undertaken. These assessments identify several far-reaching short-term and medium-term actions. To ensure Ireland maintains a leadership position in sustainable finance, the implementation of these actions involves a wide range of stakeholders and requires coordination through a robust Irish Sustainable Finance Skills implementation strategy. It will be a



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key Roadmap deliverable in H1 2024. In addition, the Central Bank of Ireland Climate Forum Working Group on Capacity Building report will be published this year.

Other educational institutions are also providing training. For instance, Chartered Accountants Ireland are embedding certain pillars of sustainable finance, for example, regulation, reporting and assurance, within its student and continuing professional education programmes. This includes the Final Admittance Exams for accountancy students, ESG master classes and the Certificate in Sustainability Strategy, Risk and Reporting. It has also co-founded Chapter Zero Ireland which is an initiative to build a community of non-executive directors and equip them to lead on addressing climate change.

The IOB has recently launched a primer on sustainable finance³, which acts as a useful reference guide for the numerous evolving key terms and concepts within this field to coincide with the launch of IOB's Sustainability Strategy. This year, IOB will raise awareness about the primer with financial services entities and keep it up-to-date as new legislation and regulation emerges.

The IOB will also develop a master class on sustainable finance for senior level executives in the financial services industry. It will be applicable on a cross-sector basis to include the EU legal and regulatory regime for sustainable finance, ESG integration, regulatory and stakeholder context, ESG related risks and risk management incorporating stress tests, and economic impacts.

³This resource is freely available on <https://iob.ie/primer>

In recognition of the growing importance of sustainability considerations when providing or advising on retail financial products, in January 2024 the Central Bank of Ireland published an Addendum to the Minimum Competency Code 2017 to recognise sustainability knowledge and competence for the purposes of the Code. In addition, those working in the financial services industry can now get recognition for sustainability training for the purposes of Continuing Professional Development (CPD), where it is directly relevant to a person's role. These changes will take effect from 1 January 2025.

Representative bodies also provide specific training and workshops for their members on specific practical items, for example the BPF-IEY Sustainable Banking Series, attended by senior executives on topics including Practical Application of the EU Taxonomy, Climate Stress Testing, Biodiversity and TNFD, and Future Proofing Against Greenwashing Risks.

The industry-led Sustainable Finance Roadmap also identifies the priority of applying digital technology solutions to ESG data and risk management challenges. In the context of the ever-evolving and

rapidly changing digital working environment, a large number of jobs in the digital sector that are likely to exist in ten years' time have probably not yet been created. However, in order to maintain Ireland's attractiveness and competitiveness, a priority will be to develop a cohort of resource-aware software developers, architects, data analysts, and business leaders who will add new competencies to Ireland's talent pipeline and afford organisations the ability to meet their internal and external ESG goals.

Skillnet Ireland and the International Sustainable Finance Centre of Excellence (ISFCOE) have introduced a number of courses to address these skill shortages. These include EU taxonomy and Sustainable Finance Disclosure training. In addition, they have introduced two new Professional Diplomas: Sustainable Finance for Compliance Professionals (in collaboration with IFS Skillnet and the Compliance Institute) and Sustainable Finance Reporting and Disclosures.

Appendix 1 provides a selection of specific sustainable finance courses and courses with an ESG module that educational bodies will deliver in 2024.

Selection of Sustainable Finance Courses





Priority measures

	Action measure	Lead	Stakeholders	Deadline
1	<p>Implement the updated Sustainable Finance Roadmap</p> <p>A state of play will issue in Q1 2024 along with a dashboard displaying progress.</p> <p>The updated Roadmap will focus on five actions:</p> <ul style="list-style-type: none"> • Accelerating talent development including through an Irish Sustainable Finance Skills Implementation Strategy • Establish an innovation programme to support the development of new sustainable finance products and services • Build a sustainable finance data roadmap for Ireland • Ensure the legislative environment is representative of best practice in sustainable finance • Deliver a coordinated public-private campaign to promote Ireland as a centre for sustainable finance, including hosting Sustainable Finance Week 2024 	ISFCOE	D/Fin Industry associations Skillnet Ireland Central Bank of Ireland Financial Centres for Sustainability (FC4S) Network Sustainable Finance Skillnet IDA Ireland Enterprise Ireland	Q1 Q4

	Action measure	Lead	Stakeholders	Deadline
2	<p>Promote Ireland’s Evolving Sustainability Value Proposition</p> <p>IDA’s focus in 2024 on sustainability and sustainable finance will be multifaceted, falling primarily into two main areas of activity.</p> <p>1. IDA will actively engage with IFS clients to pursue investments which will help address their own environmental sustainability and de-carbonisation journey. IDA will work with IFS clients to help:</p> <ul style="list-style-type: none"> • prepare Company Climate Action Plans, • improve efficiency of energy use including investing in new technologies where applicable, • invest in on-site renewable energy generation, • undertake RD&I to investigate more environmentally sustainable business models and practices, • invest in training programmes to improve company and employee capability in more sustainable operations, for example, the IDA Sustainability Leaders Programme. <p>2. IDA will market Ireland’s Value Proposition for Sustainable Finance to IFS clients both in Ireland and at corporate level through IDA’s overseas office network, with relevant stakeholders. IDA will promote opportunities such as impact investing, data management & analytics, impact investing, technology, RD&I and governance, risk and compliance, to:</p> <ul style="list-style-type: none"> • existing IFS clients to support the creation of sustainable finance capabilities for Irish operations, • new name international sustainable finance investors to Ireland. <p>The IDA will explore new opportunities to attract further sustainable finance business to Ireland.</p>	IDA	<p>D/FA</p> <p>D/Fin</p> <p>D/ETE</p> <p>ISFCOE</p> <p>Other industry bodies</p>	Q4

THEME

2

Fintech and digital finance





Key Message

Ireland's fintech and digital finance ecosystem is strong and dynamic. Our indigenous and multinational fintech firms represents a wide range of capabilities and expertise across technology & innovation, customer & technical support, risk, cyber security, fraud & AML and regulated activities.

Ireland's domestic fintech sector includes global leaders such as Fenergo, Wayflyer, Fexco, Transfermate and FINEOS. We are home to several leading global names within the fintech space, including the likes of Stripe, Mastercard, Fiserv, Block (formerly Square), PayPal, Elavon, Paysafe, Revolut, R3, Remitly, Western Union, WorkFusion and TrueLayer. Many have chosen Ireland to establish their EU, EMEA or international headquarters.

The Minister of State Jennifer Carroll MacNeill and policy makers across government and agencies already manage a range of projects and programmes, including accelerators, mentorships, funding support, promotion, and development supports, to enable Ireland to continue to leverage the strengths of our financial services and technology sectors and to ensure we continue to have a thriving fintech sector.

The *Ireland for Finance* Joint Committee now has a thematic approach to its business and the fintech agenda has been brought into the main work of the Joint Committee. The Minister and Department continue to monitor developments and deepen their understanding of the rapid changes that are occurring. In October 2023, Minister of State Jennifer Carroll MacNeill TD chaired a workshop with a wide range of fintech companies. The executives and founders from the participating firms shared valuable insights with the Minister and her officials about the opportunities to be seized and areas for further development in Ireland.

There will be a special focus on fintech in the *Update to Ireland for Finance 2023 Progress Report* which will be published later in 2024, where the full extent of the fintech ecosystem in Ireland will be

illustrated.

Another highlight is that Enterprise Ireland are supporting early stage fintech and financial services companies to allow them to become better export ready. Enterprise Ireland has invested almost €80 million in companies in the fintech, financial services, and business services sectors since 2018 through a combination of direct equity investment and funding through its Seed and Venture Capital Scheme. The €175 million Seed and Venture Capital Scheme (2019–2024), which is now fully allocated, sees Enterprise Ireland co-investing in venture capital funds to ensure adequate funding in the Irish market for companies to start up and scale. The Enterprise Ireland Pre-Seed Start Fund (PSSF) is designed to accelerate the growth of early-stage start-up companies that have the capacity and ambition to succeed in global markets. A new fund raising boot-camp is planned for this year.

Throughout 2023, Government Ministers have attended trade missions, events and conferences supported by Enterprise Ireland and IDA Ireland, promoting Ireland as a destination for fintech companies, including at Money 20/20 in Amsterdam and the Singapore Fintech Festival.

At an EU Level, implementation of the EU Digital Finance Package has continued at pace. In April 2023, the European Parliament formally approved the Markets in Crypto Assets Regulation. The Department of Finance undertook a public consultation on the exercise of national discretions in the Regulation and work is ongoing on its implementation.

The Digital Operational Resilience Act (DORA) will bring changes to ensure that the financial

sector in Europe will stay resilient through a severe operational disruption from cyber-attacks and other ICT related threats. Drafting of its implementing regulation and transposition is underway.

The training sector have been developing programmes to enable practitioners and firms in the financial services sector prepare for the new legal requirements that DORA will introduce. For example, PAT Business School who offer a range of university validated Fintech, Regtech, AML, CFT as well as a suite of professionally validated financial and skills-based programmes, work with businesses to help ensure that their talented people continue to develop their competencies in this area.

Ensuring that people are sufficiently educated and trained in the various disciplines of fintech remains a key priority, and a selection of courses are listed in Appendix 2.

In November 2023, the European Digital Identity Framework was provisionally agreed by the European Parliament in 2023. Under this proposal, every European will have access to a Digital Identity, which can be widely used online. It encompasses policy and legal changes relating to the eIDAS Regulation combined with a European digital identity proposal for secure public electronic



Stakeholders are encouraged to engage with the Central Bank’s ongoing consultation process on the proposed enhanced Innovation Hub and Sandbox.

identification including interoperable digital signatures and a digital wallet.

In relation to the digital euro, the European Central Bank (ECB) Governing Council decided in October 2023 to move to the preparatory phase of the project. This will involve further analysis on design and functionalities. The digital euro should complement banknotes and coins, giving additional choice about how to make payments.

On an ongoing basis the Department of Finance engages and consults with a large number of stakeholders on the negotiation and transposition of EU proposals.



Furthermore, the Department of Finance is working on the preparation of a National Payments Strategy that will set out a roadmap for the future evolution of the entire payments system including taking account of developments in digital payments. The Strategy will be informed by the retail payment strategies of both the EU Commission and the Eurosystem.

The Government is committed to driving our overall digital agenda at a national level, to continue to be a digital leader at the heart of Europe, and globally. The EU's Digital Economy and Society Index (DESI) for 2023 showed continued improvements across our digital agenda, reflecting the significant progress achieved under our National Digital Strategy, *Harnessing Digital*, to date.

Ireland aims to be an international leader in using Artificial Intelligence (AI), and the Government's strategy, *AI - Here for Good: A National Artificial Intelligence Strategy for Ireland*, envisages a partnership with industry to drive widespread adoption of AI across enterprises, including

in international financial services. In financial institutions, AI and quantum computing have the potential to improve the speed and accuracy of calculation and to enhance risk management and compliance functions.

In relation to AI and innovation, Instech.ie will establish a Working Group to develop a collaborative digital sandbox as a platform to innovate new products and technology for the insurance industry. This group will identify the optimal collaborative use cases and support a proof of concept. It is envisaged that this digital sandbox will initially look at the use of AI across the insurance industry and provide a sandbox to learn and test in a safe and secure manner the impact of AI. It will also explore the collaborative use of data to encourage the development of new products. The proposed digital sandbox will further position Ireland as a centre of international excellence in insurance innovation, encouraging insurers to invest more in innovation activity in Ireland.

Ireland's Fintech Sectors



In November 2023, the Central Bank of Ireland published a consultation paper on its proposed approach to enhancing the Bank’s Innovation Hub and its plan to establish an Innovation Sandbox programme to inform the early stage development of selected innovative initiatives. Further detail is outlined in Action Measure 12 of Theme 5, Operating Environment. This is a welcome development and stakeholders are encouraged to engage with the Central Bank’s ongoing consultation process on the proposed enhanced Innovation Hub and Sandbox.

In addition to the Bank’s Innovation Hub, there are a number of tech hubs across Ireland, including Dogpatch Labs and Scale Ireland in Dublin, RDI Hub in Kerry and PorterShed in Galway that support the development and growth of new Irish fintech companies.

Notwithstanding the existence of this network of physical hubs, there are industry proposals for a new national fintech hub that would be a physical space conducive to growth and innovation, where fintech start-ups could collaborate as they desired and partner with more established firms, access expertise, and share their innovations.

Proposals that include having professional service firms, state agencies such as IDA Ireland, Enterprise Ireland and the Department of Enterprise, Trade & Employment, as well as the Central Bank present in the building and accessible to start-up businesses intent on growing their capabilities and speed to market.

It is envisaged that the hub could be a natural landing space for multinational firms in the early stage of their entry to the Irish market, while also going a long way to addressing some of the challenges faced by indigenous firms on their digital transformation journey. In this respect, the National Fintech Hub would increase Ireland’s attractiveness for investment in the fintech sector, and could assist in enhancing Ireland’s competitiveness.

Taking account of further key industry information and stakeholder engagement, the costs, merits and feasibility of establishing such a fintech hub will be assessed. This action and other measures are described opposite:



	Action measure	Lead	Stakeholders	Deadline
3	<p>Assess the proposal for the establishment of a national fintech hub</p> <p>Facilitated by the Department of Finance, in collaboration with key industry and other relevant stakeholders, including government departments, state bodies, agencies and stakeholders, the parties will explore the costs, merits, and feasibility of establishing a new National Fintech Hub.</p> <p>This work aims to better foster innovation in fintech companies, including start-ups, with their speed to market, and capacity to scale or grow further, and in financial services companies engaging in digital transformation.</p> <p>As part of this exercise, key industry stakeholders will be invited to submit their proposal(s) on the [rationale and/or] business case for a National Fintech Hub, including the potential costs, industry involvement and funding mechanisms.</p> <p>Further options to consider advancing include the multi-location model whereby expertise and supports are drawn from existing regional hubs.</p>	D/ETE facilitated by D/Fin	EI IDA CBI ISIF D/Fin key industry stakeholders professional service firms	Q3
4	<p>Enhanced supports for ambitious early stage fintech innovators expanding into their first international market</p> <p>Enterprise Ireland's ambition is to scale Irish enterprises to achieve leading positions in global markets.</p> <p>Enterprise Ireland will provide additional developmental supports to early stage fintech and financial services companies to become export ready. Tailored networking events and market study visits will be supported to connect the firms with the ecosystem while raising the profile of Irish innovation. A new fund raising boot-camp will be developed for early stage fintechns and financial services companies and will be aligned to an international event.</p>	Enterprise Ireland		Q4

	Action measure	Lead	Stakeholders	Deadline
5	<p>Support Innovative Fintech and Digital Finance Investments across the IFS Portfolio</p> <p>Transformation is a key pillar of IDA's Strategy "Driving Recovery and Sustainable Growth 2021-2024". Digital transformation represents a significant opportunity for IDA's existing IFS client base in Ireland, driven by the disruption of traditional business models and distribution channels and the need to improve process efficiencies and future-proof the sector. This will be enabled through the adoption of innovative technologies such as intelligent automation, AI, digital assets and quantum computing.</p> <p>IDA will support digital transformation initiatives on a bespoke basis with the existing IFS client portfolio established in Ireland. This will include the rollout of digitalisation and innovation diagnostics, R&D Feasibility and Capability Support and talent development initiatives such as Skills Needs Assessments and Training Grant Support. This builds on the talent available in Ireland in software engineering and finance and the expertise in Irish research centres, academia and the established base of IFS companies in Ireland.</p>	IDA	<p>Skillnet Ireland</p> <p>Academic Research Centres</p>	Q4
6	<p>Ireland South East Financial Services Cluster REISS Project – Feasibility study</p> <p>The feasibility study will also provide a robust implementation plan to build a Fintech Centre of Excellence (FTCoE) with an application targeting the Enterprise Ireland Smart Regions call.</p> <p>The proposal will leverage the development of a new fintech hub in Kilkenny linked with universities and research centres.</p> <p>The purpose of the FTCoE is to create a holistic ecosystem to enable start-ups to experiment with their innovative financial products or services within a well-defined space and duration. The feasibility study will take account of the role of other regional hubs and the desirability of a unified vision for fintech innovation at national level (referenced in action measure 3).</p>	South East Financial Services Cluster (SEFSC)	<p>CluneTech & Cluster Champion Terry Clune</p> <p>Dr Patrick Lynch, SETU & REISS Project Director</p> <p>Walton Institute</p> <p>Enterprise Ireland</p>	Q3

	Action measure	Lead	Stakeholders	Deadline
7	<p>Continue funding towards internationalisation and scaling of Irish fintechs</p> <p>Building on the work of action measure 6 in Action Plan 2023 <i>Communicate and roll out a new pre-seed funding offer for early stage fintech innovators</i>, Enterprise Ireland will continue to work closely with early stage fintechs to provide funding and leverage state investments to increase funding into high potential start-ups.</p> <p>Enterprise Ireland will ensure strong alignment between enterprise and wider entrepreneurship advisory and funding providers and knowledge resources, connecting entrepreneurs to funders. EI will provide programmes to develop founding teams and support on-going product-market fit and identification of scaling opportunities.</p> <p>A target of 14 fintech and financial services start-ups is set for 2024, which represents an increase on last years activity.</p>	Enterprise Ireland		Q4
8	<p>Irish fintech and financial services companies achieving competitive advantage through innovation and digitisation</p> <p>Increased levels of investment in innovation, digital adoption and transformation are essential to strengthen the productivity and operational effectiveness of Irish fintech and financial services companies, developing high value products and services and delivering competitiveness on international markets.</p> <p>Enterprise Ireland will strengthen the engagement of fintech and financial services companies with research and innovation through supporting in-company innovation and R&D via financial assistance, advice on availing of all supports and credits available, training and access to key skills.</p>	Enterprise Ireland		Q4

THEME

3

Diversity and talent





Key Message

Ireland's highly skilled and adaptable workforce is an important factor in the attractiveness of the country as a location for foreign direct investment and international financial services firms. The number of young people in Ireland attending third-level education is significantly above the OECD average: Ireland ranks third in the OECD for attainment in higher education.

In order to maintain this attractiveness, the talent pipeline must be nurtured by advancing the skills provision across all educational streams, from further and higher education to lifelong learning and micro-credentials. Upskilling and reskilling are crucial in ensuring that the workforce has the right skills to handle the quickly changing landscape of international financial services, particularly in the areas of sustainable finance and fintech and digital finance.

In 2023, Indecon International Consultants completed a report for the Expert Group on Future Skills Needs (EGFSN) Secretariat within the Department of Enterprise, Trade and Employment. It assessed the future skills requirements of high potential sub-sectors of the international financial services sector from 2023-2027. Seven IFS-sub-sectors were identified and formed the key focus of the study: Fintech and Payments; Asset Management; Investment Funds and Securities Services; Insurance and Reinsurance; International Banking; Wholesale Capital Markets; and Aircraft Leasing and Finance. The report includes targeted recommendations to address the skills requirements for these IFS sub-sectors and they will be delivered by collaboration between industry, education/training bodies and government stakeholders.

The COVID-19 pandemic has changed the way people work and learn. This has led to more opportunities for online and remote learning. Remote learning has helped to enhance the take-up rate of lifelong learning and provide more learning opportunities for parents and those with childcare commitments. Remote learning can also provide environmental and regional development benefits.

The Regional Skills Fora bring education providers and firms together to evaluate skills needs at a local and regional level. They work closely with employers to ensure that there are upskilling pathways in the relevant growth sectors within international financial services.

Another important pathway into financial services is the development of apprenticeship programmes. Apprenticeship programmes give people the opportunity to enter a new profession while earning valuable work experience that will benefit them in their future careers. During the course of 2024, Chartered Accountants Ireland will work on an apprenticeship programme for the financial services profession. There is a target to bring this programme to market by September 2025. This will be an important addition to the growing number of apprenticeship programmes in the sector.

The Department of Further and Higher Education, Research, Innovation and Science (D/FHERIS) will continue to provide support for the Human Capital Initiative, helping create a pipeline of talent for the financial services industry. Incentivised places for graduates to reskill in areas of skills shortage and emerging technologies, including the financial services sector, are available through Graduate Conversion Courses. Close engagement with industry will ensure that these micro-credentials are aligned with industry needs and accessible for learners wishing to upskill and reskill.

D/FHERIS will also continue the Springboard+ initiative, which complements core provision and provides free and subsidised upskilling and reskilling opportunities in higher education in areas of identified skills need, at levels 6 to 9 on the National Framework of Qualifications. A number of courses

relevant to the finance, banking, and insurance sectors are being delivered, with all Springboard+ courses providing job-readiness training and most offering the opportunity for work placement, project-based learning, or industry site visits, where appropriate. A selection of courses relevant to all of the themes of the strategy are outlined in Appendix 1 and Appendix 2.

Impact 2030: Ireland's Research and Innovation Strategy recognises that the availability of talent is a key component of our national capability to handle and exploit opportunities in all sectors. Investment in the development of research and innovation talent is a key pillar of the strategy. The strategy also commits to ensuring there is a competitive business ecosystem in standards, intellectual property, finance, and tax measures. This is in addition to the funding support provided to and policy alignment with Skillnet Ireland, the government's workforce development agency.

The Government is committed to maintaining the talent pipeline in key skills areas, but also recognises the key role that the private sector can play, particularly in developing short courses which can be highly beneficial for skills development. The flexibility provided by a shared public and private sector approach can result in increased agility and adaptability amongst the workforce in the financial services sector to satisfy the needs of employers.

Alongside the provision of skills, recognising, valuing and ensuring diversity in firms improves decision-making and risk management. It reduces the groupthink in the workplace and promotes equality of opportunity for everyone who pursues a career in Ireland's financial services sector.

To support this, Ireland's financial services industry is committed to *Ireland's Women in Finance Charter*. The Charter's leads are Banking and Payments Federation Ireland, Financial Services Ireland, Insurance Ireland and Irish Funds. The Charter, launched in April 2022, was a key action under the *Ireland for Finance Action Plan 2022*. A Women in Finance Charter Steering Group has been established to provide ongoing governance and support. Government is supporting the work of this Group with the Department of Enterprise, Trade

and Employment being the secretariat to the Group and the Department of Finance, at senior level, is a member of the Group.

At the end of December 2023, 81 organisations had signed Ireland's Women in Finance Charter, which represents over 57,000 employees in Ireland. Signatories to the Charter set their own goals for advancing women to senior level management positions, where historically women have been underrepresented. They commit to monitoring and publicly communicating annually on progress against the targets they set. As an integral part of the process for signing the Charter, organisations provide baseline data on the numbers of men and women at different levels of management to the ESRI, the independent data partner that has been engaged and funded by the Charter's four industry leads. Signatory organisations then complete annual reporting surveys which allow progress to be monitored. The data from the individual signatories is collated to produce anonymised data that is used to produce the annual report.

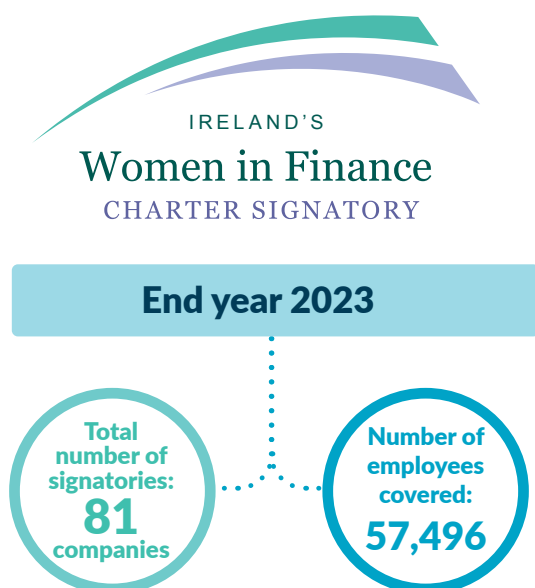


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In the first annual report in 2023, the ESRI reported that, collectively, the firms who completed the survey set 121 targets on female representation at different levels within their organisations. The largest number of targets set were at the senior management level and board level. In the first year, female representation on boards increased from 32 to 37 per cent. This figure is above the national figure reported for boards of large Irish owned firms that stood at 22 per cent in 2021.

Actions that firms reported as most effective in improving gender balance were:

- improving flexible working
- gender balance in succession planning
- female career development / leadership training
- identifying female leaders, and
- examining hiring practices.



Priority measures

This year's priority measure focuses on the ongoing work of skills analysis. The Expert Group on Future Skills Needs (EGFSN) are due to publish a report in Q1 on skills needs in the international financial services sector in Ireland following a study carried out in 2023. This was an action measure in the earlier *Ireland for Finance* Action Plans. The report covers the following sectors under the international financial services umbrella:

- Fintech and payments
- Asset management
- Investment funds and securities services
- Insurance and reinsurance
- International banking
- Wholesale capital markets
- Aircraft leasing
- Risk and compliance and regulatory
- Data analysis, IT, cybersecurity and AI
- Legal
- Anti-money laundering professionals
- ESG/sustainable finance

	Action measure	Lead	Stakeholders	Deadline
9	<p>Establish an Expert Group on Future Skills Needs (EGFSN) national oversight and implementation group</p> <p>The EGFSN report on future skills requirements of high potential sub-sectors of the international financial services sector from 2023-2027 is expected to be published in Q1.</p> <p>The EGFSN secretariat will then establish a national oversight and implementation group to oversee and coordinate the implementation of the recommendations of the report.</p> <p>Furthermore, in line with the D/FHERIS priority of establishing a Single National Portal for Careers Development, industry in conjunction with D/FHERIS will liaise with the EGFSN Steering Group to explore the alignment of the financial services industry's skills framework with a new national pilot. An update on the rollout pilot will be provided in H2.</p>	EGFSN secretariat supporting the rotating chair	IOB D/FHERIS D/ETE Other agencies D/Fin	Q1 H2 update

Talent and diversity – still crucial for success

Enterprise Ireland will continue to support women in the financial services sector through their six-year action plan for *Women in Business*. Specifically, in 2024, Enterprise Ireland will undertake promoting and encouraging client companies (SMEs) to sign up to Ireland's Women in Finance Charter. They will also facilitate a Women in Fintech event to provide leading women in fintech an opportunity to network, gain market insights and knowledge and provide collaboration opportunities.

Early Career Dublin will host at least four educational and peer engagement events in 2024. The 100 Women in Finance Early Career Dublin Committee was launched in 2018 with a focus on women who have up to 10 years of experience in the finance industry. In 2022, the programme was extended to include female students in their final year of study interested in pursuing a career in finance. The Committee creates an educational and peer-to-peer forum through open dialogue about the current interests and challenges professionals in the finance industry face, while also allowing for networking opportunities.

Of course, gender is just one aspect of diversity and other aspects include race/ethnicity, disability, neuro-diversity, gender identity and sexual orientation. Some industry bodies such as Insurance Ireland are putting talent strategies in place to ensure a broader group of people become employed in the financial services sector.

As part of efforts to enable a longer term pipeline of talent, some industry bodies such as Insurance Ireland and Irish Funds are progressing various educational and financial literacy programmes for young people from disadvantaged or diverse backgrounds, aimed at transition year secondary school students. This also serves to foster a better awareness of these industries and the role that the sector plays in supporting investment in the real economy.

At a government level, the development of a National Financial Literacy Strategy was announced by the Minister for Finance in July 2023. The Department of Finance conducted a stakeholder survey with a stakeholder event taking place on 29 November 2023 to augment its findings. A mapping report will be published in Q1 2024. The Minister for Finance has set out his intention to publish the National Financial Literacy Strategy this year.

The Fintech Corridor will establish a Diversity Chapter within the Fintech Corridor/Academy. The Diversity Chapter will bring fintechs from various backgrounds, upcoming entrepreneurs, those who are looking to transition into fintech, and under-represented groups together. By providing a platform for individuals and groups to share their experiences, raise concerns and have open discussions to explore how to encourage diversity and inclusion in this sector, fintech companies can benefit in terms of talent and profitability.



The 100 Women in Finance Early Career Dublin Committee was launched in 2018 with a focus on women who have up to 10 years of experience in the finance industry.



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THEME

4

Regionalisation and promotion



Regionalisation



Key Message

Ireland's enterprise agencies are focused on the opportunities the international financial services sector can bring to the regions. IDA Ireland's strategy *Driving Recovery and Sustainable Growth 2021-2024* focuses on winning investments for regional locations. Enterprise Ireland's strategy for 2022-2024 *Leading in a Changing World* includes an ambition to deliver a major expansion in the number of exporting companies and drive job creation in all regions of the country.

A number of regional clusters throughout the country support collaboration between international financial services companies. An example is the Fintech Corridor, consisting of companies and educational institutions along the M1 motorway from Dublin to Belfast. It is a central point for scaling companies and connecting North and South to benefit the all-island economy.

Another example is the Ireland South East Financial Services Cluster, consisting of firms, academic and research organisations in financial services covering Carlow, Kilkenny, Tipperary, Waterford and Wexford. It provides opportunities for international financial services companies to engage with each other and mentorship initiatives.

Promotion

The international financial services industry in Ireland has achieved a strong reputation globally as an established centre with world-leading expertise. The strengths of Ireland include that Ireland is an English-speaking, common-law jurisdiction that is fully embedded in the European Union and its Single Market and it has direct access to the EU Labour Market and that of the Common Travel Area.

The record levels of direct employment in international financial services firms and the high numbers of people working in the associated service providers point to the important role that the sector plays in the Irish economy. The industry provides greater choice and more opportunity than ever before for more people at all stages in their careers. Despite this success, more work can be done to raise the profile of the sector both at home and abroad to grow the number of opportunities that the sector can create for people.

The promotion and targeting to firms of Ireland as a place to do business is led by the enterprise agencies – the IDA and Enterprise Ireland. The team at the Department of Finance that supports the *Ireland for Finance* strategy complements that work by amplifying messaging from the agencies and supporting other initiatives from organisations in the sector. The Department of Foreign Affairs works closely with the enterprise agencies in target markets overseas on specific events and on trade missions under the banner of 'Team Ireland'. The Minister of State plays a key role in promoting Ireland as a centre of excellence for international financial services, through activities at home and abroad.

The *Ireland for Finance* strategy is a partnership between the State and industry. Government's collaboration with industry is working to create a positive environment for international financial services. This happens through the *Ireland for Finance* Joint Committee chaired by the Minister of State. The Joint Committee meets quarterly and brings together senior executives in the international financial services industry and the most senior officials in the public sector to advise the Minister of State on what needs to be done, on what is working and what could be improved in the sector.

Complementary to the *Ireland for Finance* strategy, *Global Ireland: Ireland's Global Footprint to 2025* is a multi-annual, whole-of-government strategic initiative to double the scope and impact of Ireland's global footprint by 2025. Its review in 2023 found that it continues to bring benefits, and places Ireland in a stronger position globally overall.

Geographical spread of companies in the international financial services sector

Ireland is home to hundreds of leading companies in the international financial services sector, many multinationals with second sites in regional locations and indigenous companies. A selection is set out below.



Being an attractive location for international financial services is not sufficient to ensure the industry in Ireland continues to flourish. In a competitive world, we need to constantly deliver the message to key decision makers and influencers globally that Ireland is a leading place to do business. A wide range of promotional channels are used to share the messaging.

We will continue in our efforts to provide solutions to firms seeking expertise in international financial services, particularly in sustainable and digital finance.

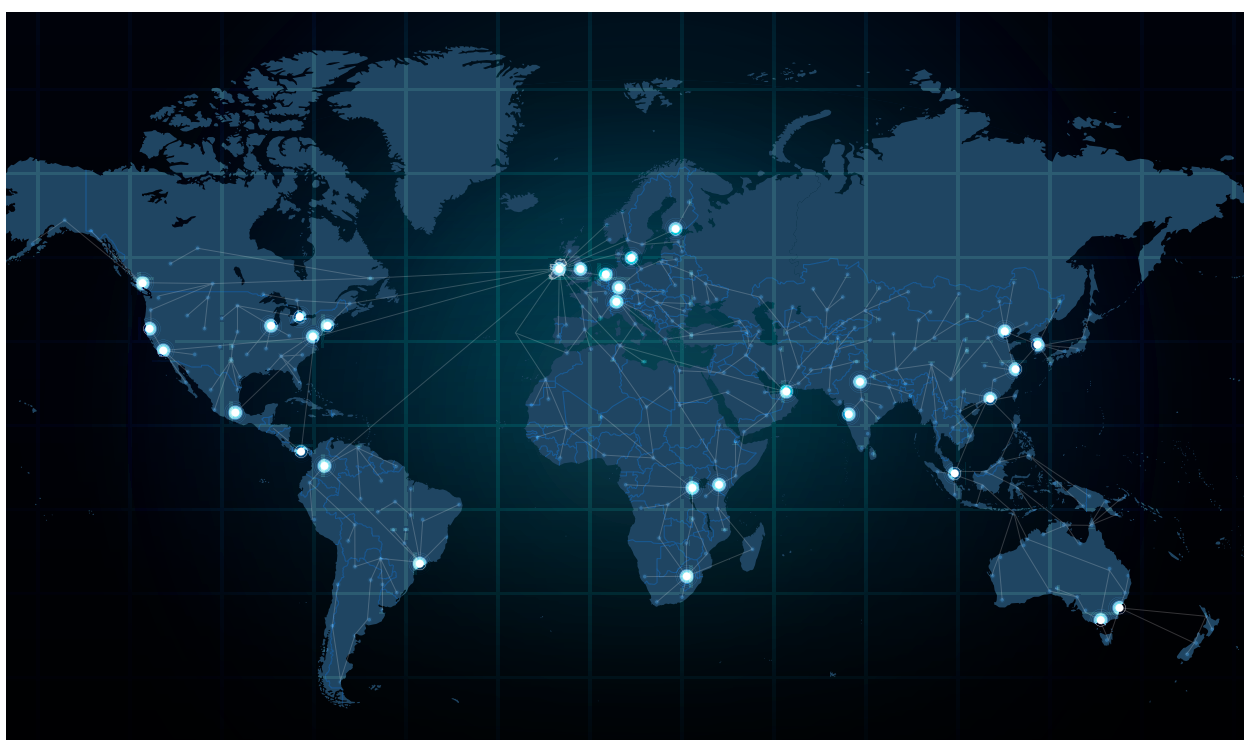
There will be continued engagement between the *Office to Promote Competition in the Insurance Market* and IDA Ireland, to leverage recent insurance reforms made under the *Action Plan for Insurance Reform*, to promote Ireland as an insurance market to locate to and write business in.

Last year there were a number of events around the country promoting the international financial services sector and this is due to continue this year. Cork Chamber and the Cork Financial Services Forum organised a South-West Regional Showcase event in November 2023 in Cork City with the theme *Leading Through Disruption: AI and Alternatives*.

The European Insurance Forum (EIF) took place in October 2023 with the overarching theme of 'A New Era for Insurance' with discussions on key topics and important networking opportunities. In 2024, the next edition of EIF will highlight the excellence of the Irish market for (re)insurance in Ireland. It will attract high-level speakers from the EU and global (re)insurance sector regulatory and supervisory community and allow Ireland to showcase its leading role in international financial services.

Priority measures

A key aspect of *Project Ireland 2040: National Planning Framework* is the growth of regional enterprise and regional job creation. Regionalisation remains a central theme in the *Ireland for Finance* strategy due to the many benefits associated with establishing a regional presence. There is a potential for reduced costs when firms locate regionally, as well as gaining access to regional talent pools and the many third-level institutions that form close working links with local firms and clusters. The enterprise agencies, IDA Ireland and Enterprise Ireland, work to drive regionalisation each year by winning investments outside of Dublin. The following action measure highlights some of this work.



	Action measure	Lead	Stakeholders	Deadline
10	<p>Promote regionalisation for international financial services investments</p> <p>IDA Ireland is entering into the final year of its ‘Driving Recovery and Sustainable Growth 2021-2024’ strategy and the focus on winning investments for regional locations remains a priority, with a target of half of all investments based in a regional location. IDA is committed to achieving more balanced, compact regional development, with the overall impact of advancing national development.</p> <p>Enterprise Ireland continues to focus on supporting enterprise in all regions to adapt to a challenging market environment, and on maximising regional job retention and creation.</p> <p>Enterprise Ireland will drive increased enterprise collaboration, through cluster and network development, working in partnership with stakeholders across the regional enterprise ecosystem, including the Local Authorities, Údarás na Gaeltachta, Regional Assemblies, and higher and further education providers.</p> <p>In collaboration with the regional stakeholders, in 2024 networking events will be held in the fintech and financial regional hubs including in the RDI Hub in Kerry and the hubs in Cork, Galway and Kilkenny. These will promote regional fintech companies and raise the profile of the ecosystem throughout the country.</p>	Enterprise agencies	D/Fin	Q4
11	<p>Team Ireland will enhance support for client participation in 2024 international fintech events and other</p> <p>At various international events, such as the Singapore Fintech Festival and Money 20/20, Enterprise Ireland will offer its clients the opportunity to exhibit their companies’ talent at an Ireland national stand (Singapore), support companies attending, and host networking events.</p> <p>Through the participation of Irish companies at these events, Ireland gains greater recognition as a choice destination for financial services companies boosting the global presence of Ireland and client companies.</p> <p>International events will be supported by a Team Ireland stand and a Minister where possible.</p>	Enterprise agencies	D/Fin D/FA	Q2 and Q4

Selection of additional work in the regions

In 2024, the Cork Financial Services Forum will host an information event showcasing the opportunities for expansion and career growth in Cork. This information session, which will take place in Dublin, has two main targets: businesses without a base outside Dublin but that are considering expanding their operations in Ireland, and professionals who want to continue their career in Ireland but are unaware of the opportunities in the regions such as Cork.

Staying in the South-West, Cork Chamber, the Cork Financial Services Forum, Cork Chamber Skillnet and Skillnet Ireland will publish a report focusing on the international financial services sector ecosystem in Cork including current and future skills and talent needs. The output of the report will be to identify skills gaps and harness opportunities to mitigate these gaps and ensure a talent pipeline for the region's international financial services sector.

Moving to the North-East, the Fintech Corridor will host a trade visit in May 2024 with Atlanta-based American Transaction Processors Coalition (ATPC) to drive visibility, foster relationships, share technology and policy best practices and support international investment. Key focus areas for the initial mission include public policy trends, EU, UK, and US industry perspectives, panels, presentations and a focus on Fintech Corridor RegTech expertise.

IFS Skillnet will publish a report which will focus on the preferred learning solutions of employees in the international financial services sector in light of post-pandemic operating models. The findings of this report will identify how the preferred learning solutions of employees in the IFS sector have changed since the pandemic and also ensure IFS Skillnet are providing relevant learning solutions to meet industry needs.

Appendix 3 provides a selection of specific events that industry and state bodies will deliver in 2024.





THEME
5

**Operating
environment**



Key Message

A strong and effective operating environment is vital for the strength of Ireland's international financial services sector. Part of the basis for Ireland's reputation as a location where firms in international financial services sector can thrive is our record of strong and effective regulation alongside a pro-business environment.

The operating environment is a complex system for a number of reasons.

First, it encompasses a large range of interacting legislative, regulatory, and enterprise support regimes.

Second, within those regimes, a critical governance standard is the separation of the roles and powers of organisations at national and EU levels.

Third, the operating environment for the financial services sector is at the nexus of different economic and social policy spheres that can, at times, require compromises between objectives, including, for example, financial stability, consumer and investor protection, the strength of the real economy, and crime prevention and detection.

Nevertheless, the operating environment for international financial services in Ireland continues to develop and adapt, reflecting changes in technology, consumer and investor behaviours, and business models, alongside responding to emerging threats and risks and identifying new opportunities. The Department of Finance will continue to engage with stakeholders on a range of legislative files during their transposition and negotiation as they seek to assess and finalise the national position.

As outlined in the *Update to Ireland for Finance*, although the primary measure of progress and success in implementing the *Ireland for Finance* strategy is the number of people employed in the sector, secondary metrics can be valuable for gaining a more complete picture of the status of the sector. Work will be progressed by State bodies, industry and the Central Statistics Office (CSO) to identify relevant data sets in order to obtain more granular data on the economic contribution of the international financial services sector.

Ireland's global leadership in international finance is supported by a highly developed legal services sector. 'Ireland for Law', a complementary strategy

to 'Ireland for Finance', builds further upon this expertise and in this way ensures that Ireland's operating environment is primed for further progress.

The 2020 Capital Markets Union (CMU) Plan seeks to further develop EU capital markets, also supporting Europe's green and digital transition and the international role of the euro. Ireland supports the CMU initiative and is actively involved in its development including measures specifically designed to promote companies seeking to access funding through Initial Public Offerings (IPOs).

Continued progress is evident in building the CMU, for example, in legislation providing for the establishment of EU wide markets data (consolidated tapes for securities trading and the European Single Access Portal) and in welcome reforms to the European Long Term Investment Funds (ELTIF) Regulation. A more developed CMU has the potential to widen the sources of available funding for our companies as well as provide opportunities for our export-oriented financial services sector to contribute to building a more dynamic and resilient EU economy.

Ongoing work for the Department of Finance includes negotiations in the European Union on CMU files, work on systems for preventing and managing the failure of cross-border banks, updates to capital requirements to finalise implementation of the Basel III international banking standards, and an update to the Payment Services Directive. The proposed legislation on a digital euro is also a live file. The transposition of the EU Digital Operational Resilience Act (DORA) into Irish law is also an important project with an approaching deadline.

In addition, the Department of Finance is carrying out a wide-ranging review of the funds sector under the broad and interlinked themes of “Open Markets, Resilient Markets and Developing Markets”. The review seeks to ensure that the funds sector in Ireland is resilient and that the regulatory and supervisory frameworks are future-proofed, supportive of macro-prudential stability, investor protection and consistent with international best-practice standards.

A public consultation to inform the review ran between June and September 2023. Over 190 submissions were received, highlighting significant interest from both industry and around 140 retail investors. A progress update was published in December 2023 providing a high-level synopsis of common issues raised in the consultation responses including the impact of technology on the sector, attracting and retaining talent and taxation.⁴ The review team is progressing its assessments of the various issues raised in the consultation process and has engaged intensely with stakeholders as part of this work. The review team will report to the Minister for Finance in summer 2024.

Ireland as a funds domicile has traditionally attracted the more liquid type investment strategies, and is world leading in terms of Exchange Traded Funds (ETFs) and Money Market Funds (MMFs). We have also seen legislative measures at an EU level giving certain retail investors greater access to alternative investment strategies and assets, particularly in terms of long term, less liquid, investments (through ELTIF 2.0). If calibrated correctly, there are many benefits to those retail investors for whom access is deemed suitable to such investments in diversified, pooled, collective investment funds. The Central Bank are in the process of developing a standalone ELTIF chapter for inclusion in the Alternative Investment Fund (AIF) Rulebook as a standalone product.

In 2023, Irish Funds completed a capability review of the funds sector in Ireland and identified opportunities to elevate Ireland’s position as the premier location to enable and support global investing. Some of the opportunities identified include the introduction of new product offerings, such as an appropriate ELTIF 2.0 regime reflecting

recent amendments at EU level.

The Central Bank of Ireland’s Strategic Plan provides the opportunity for the Central Bank of Ireland to build on the stakeholder engagement under the ‘Open and Engaged’ strategic theme. The Central Bank of Ireland Financial Industry Forum, chaired by the Governor, meets twice each year, focusing on cross-sectoral, strategic issues relating to the financial system. The Financial Industry Forum is focused on strategic discussion and identifying high level issues of importance. The Forum met in April and November 2023.

To allow for more detailed discussion, members also participate in three subgroups chaired by Central Bank of Ireland leaders which meet twice a year:

- The Domestic Subgroup focuses on the regulatory framework, policy and emerging trends for firms serving domestic markets;
- The International Subgroup focuses on the regulatory framework, implementation of policy and emerging trends relevant to firms servicing the international market;
- The Innovation Subgroup facilitates strategic dialogue between the Central Bank of Ireland and the financial sector on the ongoing enhancement of innovation in the financial system.

In November 2023, the Central Bank of Ireland



⁴Department of Finance Funds Sector 2030: a Framework for Open Markets, Resilient Markets and Developing Markets: Progress Update <https://www.gov.ie/en/press-release/123af-minister-mcgrath-publishes-a-progress-update-on-review-of-funds-sector-in-ireland/>

hosted its annual Financial System Conference. This event brought together diverse perspectives from industry leaders, consumer representatives and policymakers – from Ireland and across the EU – to discuss and debate key issues for the financial system. The theme of the 2023 conference was ‘Achieving good outcomes in an uncertain world’. The Financial System Conference will continue to take place on a regular basis and will complement other stakeholder engagement activities including the Financial Industry Forum, Consumer Advisory Group and the Civil Society Roundtable.

These engagements are in addition to the Central Bank of Ireland’s existing engagement, specifically with regard to the financial services industry, which includes regular engagement with individual regulated entities and with industry representative associations.

Priority measure

Central Bank of Ireland’s Innovation Hub

Industry representative associations have been strong advocates for a regulatory sandbox by the Central Bank of Ireland, claiming fintech providers and other firms could benefit by an expansion of the Central Bank of Ireland’s Innovation Hub to include a regulatory sandbox.

The Central Bank of Ireland’s multi-year strategy underscores the Central Bank of Ireland’s commitment to be future-focused by adopting a forward-looking approach in order to anticipate and respond proactively to changes in the economy and the financial system. The Central Bank of Ireland recognises that while innovation in financial services provides benefits to the continued effective functioning of the financial system, it is important to manage inherent risks arising.

The Central Bank of Ireland set up the Innovation Hub in 2018, to provide an opportunity for innovators to engage with the Central Bank of Ireland.

To date, the Innovation Hub has sought to help

over 375 innovators, fintechs, regulated entities, and the wider innovation ecosystem to gain a deeper understanding of the Central Bank of Ireland’s regulatory and supervisory expectations by providing them with access to subject matter experts and sharing the Central Bank of Ireland’s perspective on innovation within financial services.

However, the Central Bank of Ireland recognises that in order to play its part in fostering innovation and in ensuring effective risk management it is important that it prioritises having a deeper engagement with innovation across all aspects of the financial services ecosystem.

Therefore, in November 2023 the Central Bank of Ireland launched a public consultation on proposals to enhance the Central Bank of Ireland’s engagement on innovation. Proposals include enhancements to the existing Innovation Hub to deliver deeper, clearer and more informed engagement with the innovation ecosystem, in addition to the establishment of an Innovation Sandbox Programme, which will involve informing the early stage development of selected innovative initiatives by providing regulatory advice and support within the programme. When combined, these initiatives represent a substantial uplift in the Central Bank of Ireland’s innovation approach and reflect the Central Bank of Ireland’s continued commitment to the development of an innovative and resilient financial sector.

As part of this increased engagement the Central Bank of Ireland will also continue to develop their fintech and innovation events, outreach programmes and engagements with stakeholders to discuss learnings and trends, with an increased focus on regional engagements to support innovation across Ireland. These activities will include focused roundtables and events for outreach and to promote Innovation Hub activities and annual themed workshops involving industry, academia, etc. focused on understanding emerging trends and future risks to consumers. Further details are available in the consultation paper published by the Central Bank of Ireland on 8 November 2023⁵.

⁵https://www.centralbank.ie/docs/default-source/publications/consultation-papers/cp-156/cp156-central-bank-approach-to-innovation-engagement-in-financial-services.pdf?sfvrsn=fb359d1d_8

	Action measure	Lead	Stakeholders	Deadline
12	<p>Review the Central Bank of Ireland's approach to innovation engagement in financial services</p> <p>The Central Bank of Ireland will complete a public consultation on proposals to deepen the Central Bank of Ireland's approach to engagement on innovation in financial services.</p> <p>This will include:</p> <ul style="list-style-type: none"> • Enhancement of the Central Bank Innovation Hub to deliver deeper, clearer and more informed engagement with the innovative ecosystem; and • Establishment of an Innovation Sandbox Programme to inform early stage development of selected innovative initiatives (which are consistent with public policy objectives) by providing regulatory advice and support within the programme. <p>Enterprise Ireland will continue to liaise with the Central Bank of Ireland and in particular its Innovation Hub, so as to help its fintech and financial services clients on their regulatory journeys. Enterprise Ireland will assist the regulator in rolling out any new initiatives it may launch over the course of the year and ensure that Central Bank of Ireland messaging reaches the appropriate audience quickly and efficiently. This also ties in with the ongoing work on fintech hubs, as referenced in theme 2: fintech and digital finance.</p> <p>The Central Bank of Ireland and Enterprise Ireland to support innovation in Fintech will organise an event for early stage Enterprise Ireland client companies in June 2024. The focus will be on introducing the companies to the Central Bank Innovation Hub and explaining the benefits of early engagement for companies considering a path towards regulation. EI will support the CBI in engaging with indigenous fintech companies on the sandbox consultation paper.</p>	Central Bank of Ireland	Enterprise Ireland Industry bodies	Q4
13	<p>Covered bonds environment in Ireland</p> <p>The Department of Finance will assess the case for amendments to covered bond legislation (Asset Covered Securities) in the context of the evolving operating environment and also consider the case for green asset-backed bonds, meaning bonds that are issued where the underlying asset is a green asset and provide an update at Q3.</p>	D/Fin	Industry stakeholders Central Bank of Ireland	Q3

Selection of other work

The Central Bank of Ireland is in the process of implementing the recommendations of the Retail Banking Review, through:

- Enhanced engagement with potential applicants at the pre-application stage to explain the authorisation approach and the allocation of a dedicated point of contact for more complex authorisations/sectors
- Elevated engagement with industry bodies to understand the sectoral positioning and to improve two-way communications
- Enhanced guidance across various different applicant areas and increased information available through the Central Bank of Ireland website

In line with Ireland's published Treaty Policy Statement, Ireland's network of Double Taxation Agreements will be updated and enhanced.

In insurance, work will continue on the transposition of the Insurance Recovery and Resolution Directive. The Solvency II Directive and the Insurance Recovery and Resolution Directive are designed to further strengthen cross-border collaboration and to ensure a strong regulatory framework where consumers are adequately protected.





Appendices

Appendix 1:

Sustainable finance courses

A selection of sustainable finance courses

These include sustainable finance courses provided by a range of educational providers and courses funded/co-funded by Sustainable Finance Skillnet.

Education Body	Course Name	Programme type/Description
Association of Chartered Certified Accountants (ACCA)	Sustainability for Finance	Professional certificate
Cambium and Sustainable Finance Skillnet	ISSB for Financial Services	Short course
CFA Institute	ESG Investing	Professional Certificate
Chartered Accountants Ireland	Sustainability Strategy, Risk and Reporting	Professional Certificate
Chartered Accountants Ireland	Sustainability Reporting	Diploma
Chartered Accountants Ireland	Auditing and Assuring Sustainability Reporting	Diploma
Certified Public Accountants (CPA)	Sustainability Standards	Micro-credential
CPA	Sustainability Assurance	Micro-credential
CPA	ESG Challenges	Micro-credential
CPA	ESG Strategies	Micro-credential
Davy and Sustainable Finance Skillnet	Net Zero Training	Short course
Davy and Sustainable Finance Skillnet	EU Taxonomy for Investment Managers	Short course
Institute of Banking (IOB)	Responsible and Sustainable Finance	Professional Certificate (level 7 accreditation by UCD): Undergraduate Springboard+ course
IOB and Sustainable Finance Skillnet	ESG for the Funds Industry	Short course
Institute of Directors (IOD)	ESG Fundamentals for Directors	Short course
Institute of Public Administration	Climate Action and Sustainability Reporting	Professional Certificate (level 9)

Education Body	Course Name	Programme type/Description
KPMG and Sustainable Finance Skillnet	SFDR for Financial Services	Short course
Law Society of Ireland, Law Society Skillnet	Environmental Social Governance (ESG) Master Class	Training course
Maynooth University and Sustainable Finance Skillnet	Sustainable Financial Technology & Innovation	Postgraduate Diploma
Skillnet Ireland - IOB	Sustainable Finance for Compliance Professionals	Professional Diploma (level 8 accreditation by UCD)
Skillnet Ireland - IOB	IOB lifelong learning portfolio (Sustainable Finance)	Accredited programme
Skillnet Ireland - Sustainable Finance Skillnet and IOB	Sustainable Finance Reporting & Disclosures	Professional Diplomas
Sustainable Finance Skillnet - Insurance Institute	Climate Risk	Professional Certificate (level 7 accreditation by Atlantic Technological University, Sligo)
Trinity Business School	Creating Value with ESG	Micro-credential
UCD Smurfit Graduate Business School	Sustainable Finance (formerly called the MSc in Renewable Energy & Environmental Finance)	Master of Science
University of Galway	Responsible Management and Leadership (ESG) – Micro-credential	Professional Training Qualification (Postgraduate)
Pilot programmes		
Cambium	Net Zero Planning	Pilot programme
Cambium	CSRD Deep Dive for Finance Sector	Pilot programme
KPMG	Biodiversity for Finance Sector	Pilot programme
Maples	ESG for Legals	Pilot programme
WeESG	Sustainable Finance for Investment Relationship Managers	Pilot programme
WeESG	TNFD for the Insurance Sector	Pilot programme

Selection of courses from mainstream education providers that include an ESG module (supplied by the Department of Further and Higher Education, Research, Innovation and Science):

Education Body	Course Name	Programme type/Description
Atlantic Technological University	Governance and IT in Financial Services	Masters Taught (Postgraduate)
Atlantic Technological University	Business In Accounting	Postgraduate Diploma
Atlantic Technological University	Accounting Technicians Ireland Certificate	Professional Training Qualification (Undergraduate)
Atlantic Technological University	Bachelor of Business in Accounting	Undergraduate General Degree
Atlantic Technological University	Bachelor of Business (Honours) in Accounting	Undergraduate Honours Degree
Dublin City University	Accounting	Masters Taught (Postgraduate)
Dublin City University	International Accounting and Business	Masters Taught (Postgraduate)
Dublin City University	Accounting and Finance	Undergraduate Honours Degree
Dublin City University	Ethics (Corporate Responsibility)	Postgraduate Masters Degree
Dundalk IT	Accounting	Certificate
Dundalk IT	Accounting and Finance	Undergraduate Honours Degree
Maynooth University	Professional Accounting	Higher Diploma
Maynooth University	International Development	Undergraduate Honours Degree
Munster Technological University	Master of Business (Research)	Masters Research (Postgraduate)
Munster Technological University	Accounting Technician in Accounting and Information Skills	Professional Training Qualification (Undergraduate)
Munster Technological University	Certified Public Accountant in Certified Public Accountants	Professional Training Qualification (Undergraduate)
Munster Technological University	Bachelor of Business in Accounting	Undergraduate General Degree
Munster Technological University	Bachelor of Business (Honours) In Accounting	Undergraduate Honours Degree
Munster Technological University	Introductory Book-Keeping and Accounting	Certificate of completion
South East Technological University	Business in Accounting	Higher Certificate
South East Technological University	Master of Business	Masters Research (Postgraduate)

Education Body	Course Name	Programme type/Description
South East Technological University	Accounting	Undergraduate General Degree
South East Technological University	Accounting (Honours)	Undergraduate Honours Degree
South East Technological University	Leadership, Strategy and Governance	Certificate
Technological University Dublin	in Fintech Risk and Compliance	Diploma
Technological University Dublin	Business in Accounting	Higher Certificate
Technological University Dublin	Business Studies International Accounting	Masters Taught (Postgraduate)
Technological University Dublin	Accounting	Masters Taught (Postgraduate)
Technological University Dublin	Accounting	Postgraduate Diploma
Technological University Dublin	Accounting and Finance	Undergraduate General Degree
Technological University Dublin	Accounting and Finance (Honours)	Undergraduate Honours Degree
Technological University Dublin	Business Studies	Undergraduate Honours Degree
Technological University of the Shannon	Accounting Principles and Practice	Certificate
Technological University of the Shannon	Financial Accounting and Payroll	Certificate
Technological University of the Shannon	Business Accounting and Finance	Higher Certificate
Technological University of the Shannon	Arts Accounting	Higher Diploma
Technological University of the Shannon	Accounting	Masters Taught (Postgraduate)
Technological University of the Shannon	Financial Management	Masters Taught (Postgraduate)
Technological University of the Shannon	Financial Management	Postgraduate Diploma
Technological University of the Shannon	Accounting and Finance	Undergraduate General Degree
Technological University of the Shannon	Accounting and Law	Undergraduate Honours Degree
Technological University of the Shannon	Accounting	Undergraduate Honours Degree

Education Body	Course Name	Programme type/Description
Technological University of the Shannon	Accounting and Finance	Undergraduate Honours Degree
Trinity College Dublin	Accounting	Postgraduate Diploma
Trinity College Dublin	Law and Finance	Masters Taught (Postgraduate)
University College Cork	Accounting	Masters Taught (Postgraduate)
University College Cork	Finance (Investment and Asset Management)	Masters Taught (Postgraduate)
University College Cork	Accounting	Undergraduate Honours Degree
University College Dublin	Accounting	Masters Taught (Postgraduate)
University College Dublin	Accounting and Financial Management	Masters Taught (Postgraduate)
University College Dublin	Governance	PhD (Postgraduate)
University College Dublin	Corporate Governance	Postgraduate Diploma
University of Galway	Accountancy	Masters Taught (Postgraduate)
University of Galway	Global Environmental Economics	Masters Taught (Postgraduate)
University of Galway	Corporate Finance	Masters Taught (Postgraduate)
University of Galway	International Accounting And Analytics	Masters Taught (Postgraduate)
University of Galway	Bachelor of Commerce (Accounting - Global Experience)	Undergraduate Honours Degree
University of Galway	Bachelor of Commerce (Accounting)	Undergraduate Honours Degree
University of Galway	Bachelor of Commerce (Accounting) (International Experience)	Undergraduate Honours Degree
University of Galway	Management and Sustainability	Masters Taught (Postgraduate)
University of Limerick	Business Analytics	Masters Taught (Postgraduate)
University of Limerick	Taxation	Masters Taught (Postgraduate)
University of Limerick	Accounting and Finance	PhD (Postgraduate)
University of Limerick	Applied Tax Administration	Undergraduate Diploma
University of Limerick	Applied Taxation	Undergraduate Honours Degree

Appendix 2:

Education and training programmes to be developed or delivered in 2024 in international financial services

This appendix sets out a range of specialist educational and training programmes in international financial services that will be developed or delivered in 2024, as was known in December 2023. It is not complete, and additional programmes may be added to the suite during the year.

Programme	Developers or providers
Certificate in Insurance Product Advice	Insurance Institute
Certificate in Insurance Practice	
BA (Hons) in Insurance Practice	Insurance Institute
Higher Diploma in Insurance Management	Insurance Institute
BA (Hons) in Insurance Practice – Apprenticeship	Insurance Institute, Life Insurance Association, and the Atlantic Technological University at Sligo
IOB lifelong learning portfolio (Digital and Innovation; Fintech; Risk Management; Culture; Compliance)	IOB
Professional Certificate for Designated Persons in a Fund Management Company	IOB (level 9 accreditation by UCD)
Professional Diploma in Digital Product Management in Financial Services	IOB – (level 8 accreditation by UCD)
Certified Master Classes in Equality Diversity & Inclusion	Ireland South East Financial Services Cluster and CIRDAS at the South East Technological University
MBS in Investment Fund Administration	Ireland South East Financial Services Cluster, South East Technological University, and Munster Technological University
Navigating Complexity: Implementing DORA for Compliances Professionals’	PAT Business School (Compliance Institute & PAT Business School Certificate)

Programme	Developers or providers
Diploma in AML in a Fintech Environment Higher Diploma in Business in Regulatory Risk & Compliance	PAT Business School (level 8 accreditation by TUD)
Certificate in Aircraft Acquisitions and Finance	Skillnet Ireland – Aviation Skillnet and South East Technological University
Professional Diploma in Aviation Finance and Leasing	Skillnet Ireland – Aviation Skillnet, University of Limerick, University College Dublin
Diploma in Corporate Finance	Skillnet Ireland – Aviation Skillnet and Chartered Accountants Ireland
MSc in Compliance	Skillnet Ireland – IFS Skillnet, Institute of Bankers, and University College Dublin
<ul style="list-style-type: none"> • Regulatory Reporting • Professional Diploma in Investment Fund Services • Professional Diploma in Digital Transformation Financial Services • Professional Diploma in Applied Alternative Investments • Professional Diploma in Leading Cultural Change and Ethical Behaviour in Financial Services • Professional Diploma in Advanced Banking Risk Management • Professional Certificate in Investment Fund Services • Professional Certificate in Financial Crime Prevention • Professional Certificate in Digital Financial Services and Data Analytics • Professional Certificate in Data Protection • Professional Certificate in Complex Financial Instruments • Diploma in Taxation • Diploma in Corporate Finance • Certificate in Business Analysis • Graduate Certificate in Financial Intelligence and Technology • Professional Certificate in Capital Markets, Investments and Funds • Professional Diploma in Advanced Operational Risk Management in Financial Services 	Skillnet Ireland – IFS Skillnet

Programme	Developers or providers
MSc in Blockchain	Skillnet Ireland – Technology Ireland ICT Skillnet, and Dublin City University
MSc in Fintech Innovation	Skillnet Ireland – Technology Ireland ICT Skillnet and Munster Technological University
Data Master Class series for Insurance and financial services	South East Technological University

Appendix 3:

Events and promotional activities

This appendix lists a sample of events and promotional activities that are planned for 2024

Activity	Organisers
Sustainable Finance Week	International Sustainable Finance Centre of Excellence (ISFCOE)
Money20/20 Amsterdam	Enterprise Ireland
Enterprise Ireland Financial Services Dinner, London	Enterprise Ireland
FSI/City of London Dialogue with a focus on sustainable finance in London	FSI
Singapore FinTech Festival	MAS
Insurtech Connect (ITC Las Vegas)	McKinsey & Company
Insurtech Insights	
SALT iConnections New York	Society for Applied Learning Technology
European Insurance Forum	
Money Live Summit	Marketforce Live
Finovate Europe	Informa Connect Ltd.
Paris Fintech Forum	Altéir Event
The AI Summit London	Informa Tech
GAIM Ops, Cayman	Informa Connect Ltd.

Activity	Organisers
Global Banking Summit	Global Banking Summit
Adminovate	Adminovate
Fund Forum Ops	Informa Connect Ltd.
Fintech South (Atlanta)	Fintech South (Atlanta)
Venture Atlanta Conference	Venture Atlanta
Canadian Fintech Summit	Framework Venture Partners
Canadian Fintech Forum	Finance Montréal
Next Gen Nordics/Nordics Fintech Week	Next Gen Nordics/Nordics Fintech Week
Merchant Payments Ecosystem	Empiria Group
ISTAT at The Paris Airshow	SIAE
ESG Forum 2024	Environment Ireland
Irish Funds events, Dublin, London, US, Europe	Irish Funds
Money 20/20 USA	Ascential Events
Future Sibos	Swift

The image shows a modern glass skyscraper with a grid of windows. The entire scene is tinted with a light blue color. In the lower portion of the image, the silhouettes of several people are visible through the glass, appearing to be in a meeting or collaborative work environment. Some are standing and talking, while others are sitting at tables. The overall composition is clean and professional, typical of a corporate or technical document cover.

Glossary

Glossary

ACCA	Association of Chartered Certified Accountants
AI	Artificial Intelligence
AIF	Alternative Investment Fund
ALI	Aircraft Leasing Ireland
AML	anti-money laundering
ATPC	American Transaction Processors Coalition
AUM	Assets Under Management
BA	Bachelor of Arts
B2B	Business to Business
BPFI	Banking and Payments Federation Ireland
CA100+	Climate Action 100+
CBI	Central Bank of Ireland
CDP	Carbon Disclosure Project
CIRDAS	Centre for Insurance, Risk and Data Analytics Studies
CMU	Capital Markets Union
CRD	Capital Requirements Directive
CPA	Institute of Certified Public Accountants
CSO	Central Statistics Office
CSRD	Corporate Sustainability Reporting Directive
DCU	Dublin City University
DESI	Digital, Economy and Society Index
D/ETE	Department of Enterprise, Trade and Employment
D/FA	Department of Foreign Affairs
D/FHERIS	Department of Further and Higher Education, Research, Innovation and Science
D/Fin	Department of Finance
DLT	Distributed Ledger Technology
DORA	Digital Operational Resilience Act
ECB	European Central Bank
EGFSN	Expert Group on Future Skills Needs
EI	Enterprise Ireland
EIB	European Investment Bank
eIDAS	EU Electronic Identification and Trust Services Regulation (eIDAS)

Glossary (continued)

EIF	European Insurance Forum
EIT Climate-KIC	the European Institute of Innovation and Technology Knowledge and Innovation Community on climate resilience
ELTIF	European Long Term Investment Funds
EPA	Environmental Protection Agency
ESG	Environmental Social and Governance
ESRI	Economic and Social Research Institute
ETF	Exchange Traded Fund
EU	European Union
FC4S	Financial Centres for Sustainability
FIBI	Federation of International Banks in Ireland
FIG	Financial Institutions Group
FINE	Fintech Investor Network and Ecosystem
FPAI	Fintech and Payments Association Ireland
FSI	Financial Services Ireland (Ibec)
FTCoE	FinTech Centre of Excellence
GAIM	Global Alternative Investment Management
GRC	Government, Risk management and Compliance
H1, H2	the first and second halves of a calendar year
ICT	Information and Communication Technology
IDA Ireland	the Industrial Development Authority
IFS	International Financial Services
IIGCC	Institutional Investors Group on Climate Change
ILIM	Irish Life Investment Managers
IOB	Institute of Bankers
IPOs	Initial Public Offerings
ISFCOE	International Sustainable Finance Centre of Excellence
ISGB	Irish Sovereign Green Bond
ISIF	Ireland Strategic Investment Fund
ISSB	International Sustainability Standards Board
ISTAT	International Society of Transport Aircraft Trading
MBS	Master of Business Studies
MiCAR	EU Markets in Crypto Assets Regulation

Glossary (continued)

MMFs	Money Market Funds
MSc	Master of Sciences
NAV	Net Asset Value
NDRC	National Digital Research Centre
NTMA	National Treasury Management Agency
NZAM	Net Zero Asset Management
OECD	Organisation for Economic Co-operation and Development
PACE	Platform for Analysing Carbon Emissions
PRI	Principles for Responsible Investment
RD&I	Research Development & Innovation]
R&D	Research & Development
R&I	Research and Innovation
REISS	Regional Enterprise Innovation Scoping Scheme
SAF	Sustainable Aviation Fuel
SBTi	Science-Based Targets initiative
SEAI	Sustainable Energy Authority of Ireland
SEFSC	South East Financial Services Cluster
SETU	South East Technological University
SFDR	Sustainable Finance Disclosures Regulation
SME	Small and Medium Enterprises
SALT	State and Local Tax
TCFD	Task Force for Climate Related Disclosures
TFND	Task Force on Nature-related Financial Disclosures
TUD	Technological University Dublin
UCD	University College Dublin
UCITS	Undertakings for the Collective Investment in Transferable Securities
UK	United Kingdom
UNDP	United Nations Development Programme
US	United States
WRI	World Resources Institute
WWF	Worldwide Fund for Nature
Q1, Q2, Q3, Q4	the first, second, third and fourth quarters of a calendar year



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