



“Wherever you go, go with all your heart”

Confucius

# Building on the Past

Ireland & China – ‘Building an exciting future based on a strong past’:

Marie O’Brien, Partner and Head of China Programme examines some of the key developments between Ireland and China since diplomatic relations were established forty years ago.

In 1979, Ireland went to China and went with all our hearts, and we welcomed China to Ireland with all our hearts. The last 40 years has seen Ireland find a new level of recognition in, and partnership with, China. From a Chinese perspective, Ireland has gone from a little-known small country in Europe to being home for some of the largest and most successful Chinese businesses.

Last year was an incredible year in terms of the confidence and trust placed in Ireland by Chinese business. Now we can boast great success across a number of industries from aircraft leasing to biologics, from renewable energy to agrifood and from tourism to fintech. The special bond between the two countries will grow ever stronger.

In some ways, because the growth in recent years in bilateral trade between Ireland and China has increased so much, it feels like an overnight success. It certainly has not been an overnight story and instead is a story of many years of building trust and relationships. Ireland never felt entitled to this success but instead worked hard from all angles to grow the relationship and earn the respect and faith of China. Groundwork to today’s big headlines was laid from at least as far back as 1979. These strong foundations will pave

the way for an enduring connection in economic, social and political terms.

Some of the key developments in the Ireland and China story over the past 40 years include:

- **Increased recognition of Ireland:** Without a doubt, Ireland’s offering as a great place to do business has become more recognised in China. The key ingredients, that most agree are essential for success, are the available talent pool, experienced advisors and an excellent legal and tax regime. My experience in travelling to China regularly over the past ten years has been one of seeing great evolution and development in China’s ambition for ‘going global’. The appetite and enthusiasm to learn about Ireland and the universal positive feedback from anyone who has visited Ireland is wonderful.
- **Move to Real Substance:** As Chinese companies have grown in Ireland their legal needs have expanded. A&L Goodbody has been very proud to have been there to guide Chinese companies from their initial set up in Ireland and the regulatory and other questions that go with that decision to helping them successfully execute their business plan. The Chinese companies

in Ireland have moved from small SPV establishments to serious Irish corporates with senior employees and ambitious business plans. With that growth comes more complex legal needs from an Irish law perspective. This includes advice around employment, property, regulatory, corporate governance, M&A, finance, tax and data protection matters. A&L Goodbody is able to offer top tier advice across all these areas allowing us to support our Chinese clients through all aspects of their life cycle.

- **Expansion of industry types:** Ireland’s strengths in terms of fostering inward investment are very aligned to China’s foreign investment strategy. China’s ambition and Ireland’s expertise in areas such as medtech, pharma, fintech, aircraft leasing, financial services, agrifood, and biologics fit like hand in glove. This has driven excellent diversification in terms of the industries for investment by China in Ireland.
- **Access to Europe:** Brexit has meant that many Chinese companies now see Ireland as their gateway to Europe. Although the UK and China will always have a very strong business connection, Brexit has opened the door for Ireland in areas where access to European markets is key.



Marie O'Brien, Partner and Head of China Programme

Chinese companies in Ireland now operate in the same sophisticated way as other key international players and therefore face the same business challenges. Their boardrooms all discuss talent recruitment and retention, increased regulation, market share, data protection and global expansion as key priorities. While the challenges may be similar across the board, the approach and solutions do need to be tailored to take account of the background, culture and policies of the particular client. Understanding these differences will be crucial to success.

A&L Goodbody understands that time and effort is needed to gain real understanding as to how best to serve Chinese companies. We have invested over the last ten years in building our knowledge. We are the first and only Irish law firm with a Chinese Lawyer Placement Programme which involves senior Chinese lawyers from leading Chinese firms completing a four month placement with ALG, and ALG lawyers spending time in China. There is no substitute for on-the-ground experience in understanding the drivers for business. This Programme has been instrumental in ensuring that ALG holds a

large market share of Chinese companies doing business in Ireland across a variety of sectors.

The Programme has gone from strength to strength and now boasts alumni of over 75 Chinese lawyers who have worked with us, providing us with valuable insight into what Chinese companies need when they wish to invest internationally. In turn these lawyers see first-hand Ireland's investment environment and can bring this knowledge back to their business in China.

This Year of the Pig 2019 is an opportunity to reflect and celebrate all that we have learnt, achieved and understood in 40 years of the close relationship between Ireland and China. It is important to mark it and important to celebrate this significant milestone. It is most important however that we build on it and ensure the next 40 years leaves us with a treasure trove of good memories and stories of shared success, friendship and trade.

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IN TERMS OF FOSTERING  
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AND IRELAND’S EXPERTISE  
IN AREAS SUCH AS MEDTECH,  
PHARMA, FINTECH, AIRCRAFT  
LEASING, FINANCIAL SERVICES,  
AGRIFOOD AND BIOLOGICS FIT  
LIKE HAND IN GLOVE.”

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