ATTRACTION BUSINESS AND REGULATORY ENVIRONMENT

The EU relocation and expansion of leading global financial institutions in the Irish market is testament to its sophisticated yet flexible business environment, and strong but friendly regulatory framework. In recent years, the Central Bank of Ireland has introduced significant new banking regulations, reflecting best practice in EU law. This means that, from a supervisory perspective, Ireland has moved away from the perceived light touch banking regulation of the past and is now firmly embedded in the European supervisory system.

Indeed, while some commentators have suggested that other countries may be engaging in “regulatory arbitrage” in trying to win post-Brexit investment, Ireland is positioning itself to be the EU jurisdiction where financial decisions are made. The ambition being that Dublin will be host to “the mind and management of the entity”, according to Ireland’s Central Bank. Ireland is also a contender to host the European Banking Authority (EBA), which is to relocate from London. Many now consider that Dublin is vying with Frankfurt as the leading destination for financial institutions, particularly the large American banks, looking to ensure ongoing access to the 27 country EU bloc post-Brexit.

The Irish economy has been experiencing strong growth and is more diversified than ever which is undoubtedly a huge factor for large institutions and investors when deciding whether to invest and expand into Ireland. 2017 has been a very positive year for the Irish economy which has resulted in The Central Bank of Ireland raising its forecast for economic growth in 2017, from 3.5 per cent GDP to 4.5 per cent making it the fastest growing euro zone economy for the fourth year in a row.

OTHER FINANCIAL SERVICES OPPORTUNITIES

The financial services industry has been central to this economic growth. In addition to more traditional banking jobs, Ireland has thriving investment funds, fintech, insurance and aviation finance sectors. Ireland continues to be the leading global location for aircraft financing and leasing activities as emphasised by the arrival of new entities to the market such as Chinese leasing companies and the US private equity houses.

Outside of the financial institutions, opportunities also exist for Ireland in the wake of Brexit across the industries of finance, insurance and investment funds. In the absence of any special arrangements, it is expected that passporting will be lost to UK institutions once Brexit occurs. As a result The Central Bank of Ireland has seen a significant increase in the number of firms within these industries seeking to explore their ability to receive authorization in Ireland and access into the EU post-Brexit.

The variety and flexibility of tax efficient structures available is one of the key advantages that Ireland offers to facilitate investment within the financial services sector. Irish regulated and unregulated vehicles are widely used by international banks, asset managers and private equity investment funds for financial platforms. These include securitisations, profit participating note transactions, loan origination, bond issuances and asset leasing platforms. The reduction or elimination of withholding taxes on income flows being a key benefit as a result of Ireland’s wide double tax treaty network.

OUR CONTINUED SUCCESS

Ireland has long been viewed as an attractive destination for multinational companies seeking to expand their operations into the European market. Leveraging off these successes, Ireland has positioned itself as the logical gateway to Europe for those US financial institutions affected by Brexit who are seeking to maintain their access across the region in the changing landscape post-Brexit.

Our commitment to the European Union, our future position as the only remaining English speaking EU member state, along with our innovative business sector, our competitive tax regime, flexible structures and talented workforce strengthen our ability to become the EU jurisdiction of choice for financial institutions seeking continued access to the European market.

While the Brexit decision was one which was not generally welcomed in Ireland, the Irish Government and the existing financial services community are well prepared and best placed to minimize the fall-out for US firms affected and ensuring they have continued access to the broad European market.

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