



Opportunity Knocks

Gina Conheady, Head of A&L Goodbody's San Francisco Office, looks at Ireland in a post-Brexit world - with change comes opportunity.

FinTech

In recent years, Ireland has emerged as a global hub for FinTech companies setting up or expanding operations. In 2015, the Irish Government launched its strategy for Ireland's International Financial Services Sector for the following five years (IFS2020), which seeks to consolidate and grow Ireland's position as the global location of choice for specialist international financial services. A key element of this government strategy is the recognition and promotion of FinTech as a rapidly expanding area of innovative financial services.

FinTech opportunities exist for Ireland in the wake of Brexit as, again in the absence of any special arrangements, the EU financial regulatory and payments regime will no longer apply to the UK and the movement of services, capital, payments and people between the EU and the UK will become more challenging. More significantly (again in the absence of special arrangements), FinTech firms that are authorized by the UK financial regulator will no longer be able to passport into the EU. These companies may need to move operations to an EU jurisdiction in order to qualify for EU passporting.

FinTech firms looking for certainty in their EU operations and a robust but business friendly regulatory regime are likely to be drawn to Ireland's experience in attracting global financial services leaders like First Data and Visa, alongside domestic companies like Currencyfair & Realex Payments.

Ireland - Working with Europe

Ireland is, and will remain, a committed member of the EU. It will continue to play an active role in European affairs, laws and regulation. However, given the proximity of Ireland and the UK and the special relationship that exists between them, Ireland is also well positioned to play an important role for the UK in maintaining a stable and consistent EU strategy.

Ireland is uniquely positioned to allow international businesses to adopt a joint UK and EU strategy to access both markets seamlessly, and it is likely that international companies and investors in the wake of Brexit will, more than ever, look to Ireland as the obvious choice for their European operations.



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regulatory regime will no longer apply to the UK. Furthermore, the movement of pharmaceutical products and services, as well as people, between the EU and the UK will inevitably become more challenging.

As a committed member of the EU, Ireland offers an unrivalled value proposition for life sciences companies doing business in the EU in a post-Brexit marketplace. Aside from the lowest corporate tax rate in the EU at 12.5%, Ireland also provides a tax credit of 25% of capital and revenue spend on qualifying R&D. While the post-Brexit landscape is still evolving, Ireland will remain at the center of EU policy making in key areas affecting these industries. These areas include regulation and supply-chain issues which will further bolster Ireland's position as the location of choice for life sciences and biotech companies seeking access to the EU single market.

The decision by the United Kingdom to leave the EU in June 2016 represents one of the most notable external challenges facing Irish law firms and their clients operating in the international market. Ireland is, and will remain, a committed member of the EU and is equally tied to its long-standing special relationship with the UK. In that context, and notwithstanding the uncertainty facing the Irish economy surrounding Brexit, with change comes opportunity.

As the only remaining member state of the EU with English as its first language, Ireland will find itself uniquely positioned in a post-Brexit world. Added to this, its cost competitiveness, attractive tax regime, common law system, talented workforce and pro-business environment, will help to ensure that the country will continue to attract foreign investors from the USA and elsewhere who are seeking to access the EU single market through direct investment and/or acquisitions.

Despite the uncertainty in global markets as a result of the Brexit decision as well as the recent US and European elections, Ireland's position as the gateway to the EU has seen both blue-chip multinationals and international (in particular US) high growth businesses continue to establish European operations in Ireland. Two key sectors where Ireland is poised to continue to see significant growth are the life sciences industry and the emerging FinTech industry.

Life Sciences & BioTech

Ireland is home to an unrivalled number of the world's leading life sciences and biotech companies operating in areas such as pharmaceuticals, biotechnology, medical devices and diagnostics across the R&D, production and distribution sectors. This includes ten of the top ten global biopharma companies and eight of the top ten medical devices companies.

The supply and manufacture of medical products and devices in Ireland is largely regulated by EU Directives, which have been transposed and supplemented in Ireland by national legislation. Following the UK's exit from the EU, and in the absence of special arrangements being agreed between the UK and the EU, the EU pharmaceuticals