



NEW ZEALAND
FOREIGN AFFAIRS & TRADE
Manatū Aorere

MAY 2025

Foreign Direct Investment in Ireland Hits Record Levels

MARKET INTELLIGENCE REPORT

Summary

This report updates the June 2023 Market Intelligence Report on [foreign direct investment in Ireland](#), following the entry-into-force of the [NZ-EU Free Trade Agreement](#) in 2024, and the establishment of [Invest New Zealand](#) in 2025.

Ireland remains one of the world's top performers in attracting foreign direct investment (FDI). While Ireland's low corporate tax rate attracts significant international attention, the country's long-term success in attracting FDI is also underpinned by political stability, sustained investment in education and training, RD&I, the English-language speaking environment, and pro-business policies supported across the political spectrum. IDA Ireland, the government's investment promotion agency, provides comprehensive support and generous incentives, positioning Ireland as a low friction entry point into the EU's 450 million person Single Market.

FDI reached record levels in 2025, including in sectors where New Zealand companies have strengths such as agri-tech, medtech, sustainability, digital services, and aerospace. Ireland faces pressures across housing, energy, water and transport; long-term government investment plans and expanding regional innovation clusters are designed to address these challenges. Attractive opportunities exist for well-prepared Kiwi firms.

Report

Ireland's FDI landscape

Ireland has spent decades creating an investment environment that consistently ranks among the world's most competitive. Its value proposition as an investment destination extends well beyond its corporate tax regime. Attractions include: political stability, long-term investment in education and training, a young and internationally diverse workforce, access to the EU Single Market, and a national economic strategy focused on innovation and global connectivity that is supported by all major political parties. Together these attributes have made Ireland a preferred European base for multinational companies across technology, pharmaceuticals, manufacturing, financial services, and sustainability-focused industries.

For more on Ireland's value proposition as an investment destination, see the Annex below.

A record year for FDI

FDI increased by a record 38% in 2025 with 323 project announcements.

- Employment in foreign-owned firms backed by IDA Ireland increased by 1.5% (312,400 roles) compared to 2024, another record.
 - 57% of investments were in regional areas outside Dublin.
 - The US remains the largest source of FDI though there was a decrease in 2025. Major US tech companies Apple, Google, Meta, Pfizer, Intel, and IBM (among others) have operations in Ireland.
 - Corporate tax revenue is concentrated, with three US companies accounting for 46% of corporate tax receipts in 2024.
 - Services continues to dominate inward investment, with strong growth in biopharma, ICT, advanced manufacturing, and sustainability-related sectors.
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IDA Ireland: Support and Strategy

IDA Ireland (Industrial Development Agency), established in 1949 as the government's investment promotion arm, provides comprehensive support and generous incentives for companies looking to establish operations in Ireland. IDA has an annual budget of

€175 million (NZ\$345 million) a year [1], and a planned client spend in Ireland of €250 billion over the lifetime of its current strategy on wages, Irish goods and services, and capital investment, providing further opportunity and economic impact across local supply chains.

IDA's strategy [Adapt Intelligently: A Strategy for Sustainable Growth and Innovation 2025-2029](#) sets out four strategic objectives and targets:

1. Strengthening long-term investment;
2. Scaling cutting-edge innovation;
3. Driving sustainable change;
4. Maximising regional opportunities.

Clear opportunities have been identified in areas such as artificial intelligence (AI) and digitalisation; semiconductors; health and sustainability – a number of which align with New Zealand's capabilities.

Companies considering establishing operations in Ireland, from startups to established multinationals, may be able to access IDA Ireland's services from R&D investment grants and tax credits to employment and training grants.

More information can be found on IDA Ireland's website at:

- [Funding Programme and Incentives](#)
- [Grants and Supports](#)

Infrastructure challenges

Pressure on infrastructure is an issue across housing, energy, water, and transport. On the energy front, data centres currently use 48% of Dublin's electricity and 20% of metered electricity in Ireland. Government priorities include improving grid capacity, water supply, transport connectivity, and housing delivery. Initiatives such as Project Ireland 2040 and the National Development Plan 2021-2030 aim to shift the focus away from political cycles towards long-term development for infrastructure and public services. The government has also developed business hubs to leverage the benefits of industry clustering e.g. Dublin for tech, finance and global services, Cork for life sciences, pharmaceuticals and cybersecurity and Galway for med-tech and digital innovation.

[1] Budget 2025 allocated NZ\$85 million over four years to set up Invest New Zealand (NZ\$21.25 million per year).

Benefits of the NZ-EU Free Trade Agreement

The NZ-EU Free Trade Agreement (FTA) guarantees certain benefits and provides greater certainty for investors from New Zealand to the EU and vice-versa. Benefits include (among other things) investors being treated equally regardless of whether they are from New Zealand or the EU, and no worse than they treat investors from other markets; allowing the free movement of capital for the purposes of investment liberalisation; equal protection of intellectual property (IP) to nationals from other markets; and protections for trade secrets, trademarks, plant varieties, and other forms of IP.

For a plain language guide on how the NZ-EU-FTA supports investment, go to:

- [Understanding the NZ-EU FTA | New Zealand Ministry of Foreign Affairs and Trade](#)
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Other New Zealand Support

New Zealand Trade and Enterprise (London) provides support for NZTE customers operating in Ireland, including market access guides that can be found here:

- <http://www.my.nzte.govt.nz>

The New Zealand Embassy to Ireland supports New Zealand companies looking to establish and grow their business in Ireland by assisting with trade missions, hosting market and business events, lifting the profile of New Zealand business, and facilitating introductions to Irish partners and advisers. The Embassy can be contacted at:

- nzembdublin@gmail.com

The New Zealand Business Network in Ireland serves as a hub for the business community with connections to New Zealand to collaborate, socialise and build meaningful networks locally. To connect, go to:

- [New Zealand Business Network Ireland \(NZBNI\) | LinkedIn](#)
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Annex: Ireland's value proposition as an investment destination

While Ireland's low corporate tax rate has attracted significant international attention, just as important to its success in attracting FDI are: political stability, investment in education, training, research and development, membership of the EU first, and being an English language-speaking environment.

Corporate tax rate

In 2024 Ireland increased the minimum corporate tax rate from 12.5% to 15% for multinational companies with turnover greater than €750 million per annum, in line with international tax reform obligations under the OECD Pillar Two agreement. Over 99% of companies operating in Ireland are outside the scope of the 15% global minimum effective tax rate and remain taxed at 12.5%. By comparison, this remains lower than the standard corporate tax rate in New Zealand (28%) and UK (25% for companies with profits over £250,000 and 19% for those with profits up to £50,000).

Political stability

Political stability and cross-party agreement on the role of government in attracting investment makes Ireland a reliable country to invest in. Businesses can trust Ireland to be consistent on investment, enterprise, and tax policy. IDA Ireland enjoys multiparty and business support. The social partnership that emerged in the 1980s between government and trade unions institutionalised a relationship involving open dialogue, and cooperation between government and industry. Today, the [Government Trade Forum](#) is one of the many mechanisms for the government to understand the needs of industry. Ireland's transparent, rules-based system creates a stable environment for business.

Educated workforce

Ireland has a young, educated, and diverse workforce. Providing free secondary level education in 1967 was a step towards Ireland's long-term investment in its future workforce. In 2025, 62% of adults aged 25-34 achieved tertiary level education, one of the highest in the OECD. Latest figures (2023) show Ireland had the highest number of tertiary education graduates in STEM in the EU, at 39.5 per 1,000 population aged 20-29. 26% of the workforce is non-Irish, with the largest increases from Ukraine (879%, the result of Russia's invasion of Ukraine rather than investment factors) and India (264%) in 2023. Unemployment has remained below 5% for all but one month in 2025.

Research, development and innovation

The increase in scope, scale, and complexity of research, development and innovation (RD&I) has been a key part of driving productivity, strengthening resilience, and harnessing new business opportunities in Ireland. IDA supported 80 RD&I investments in 2025, representing €2.5 billion in client expenditure.

EU Single Market

Ireland's membership of the EU Single Market means access to a market of not just 5 million but 450 million people. As of February 2026, there is a proposal under discussion within the EU known as [the 28th regime](#) which would establish a single EU-wide company register (aka a "one-stop shop") where entrepreneurs can register a company in any EU member state under uniform rules. This would replace divergent national procedures with a fully digital, multilingual platform the processes filings in real time and is mutually recognised across the EU.

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