



# Canada–Ireland Trade and Investment

## Deepening the Economic Relationship

Canada and Ireland have quietly cultivated a dynamic and resilient economic partnership. Since implementing the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) in 2017, bilateral investment flows have risen by 95 per cent, and trade between the two countries has nearly doubled. Yet, this success is just the beginning. There is opportunity to unlock an additional US\$1.5 billion in annual goods trade, and further increase services trade and direct investments to bolster the resilience of both economies.

### Shared foundations, divergent strengths

Canada and Ireland are distinct in size and economic structure, yet they are aligned in ways that matter for business. Shared language, diaspora ties, and common legal systems reduce friction. Visa-free travel, direct flights, and regulatory cooperation make cross-border operations easier. Interviewees consistently emphasized the value of rules-based trading and each country's strong reputation in the other's market.

### Investment as a catalyst for growth

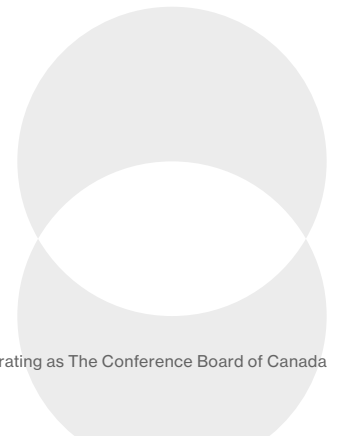
Foreign direct investment (FDI) has emerged as a key driver of Canada–Ireland economic integration. Canadian investment in Ireland has grown by 131 per cent since 2016. Irish investment in Canada, while smaller, has also increased by 35 per cent. On an ultimate country investor basis, Irish FDI inflows into Canada stand at US\$14.3 billion, making Ireland the 10th largest investor in Canada. Canadian firms operating in Ireland employ over 22,000 people, and Irish firms in Canada support over 19,000 jobs—a figure that rises to 34,000 Canadian jobs on an ultimate investor basis.

Canadian investment in Ireland is concentrated in finance, manufacturing, and professional services, with notable activity in mining and quarrying. Irish investment in Canada is focused on tech, wholesale trade, and cultural industries. Interviewees highlighted that Ireland's appeal lies in its EU access, competitive tax rate, skilled workforce, and government support. Canadian firms praised Ireland's business-friendly environment and cultural alignment with North America.

Irish firms operating in Canada face a more complex environment. Canada's federal structure requires navigating multiple jurisdictions, with varying regulations and systems. Yet, Canada's market size and access to North America remain strong draws. Interviewees emphasized the need for clearer guidance for Irish firms entering Canada.

### Trade under CETA: A story of shared benefits

Since CETA's provisional implementation, Canada–Ireland trade has grown to US\$9.6 billion in 2023. Services now account for most bilateral trade, with US\$5.4 billion in services and US\$4.2 billion in goods.



Irish goods exports to Canada have surged by 160 per cent since 2016, driven by pharmaceuticals, organic chemicals, and medical equipment. This reflects Ireland's global leadership in pharmaceuticals, supported by decades of industrial policy, R&D incentives, and skilled workforce development.

Canadian goods exports to Ireland have remained mostly flat, though select commodities—such as corn, machinery, and mineral fuels—have grown. However, much of Canada's export growth has come from primary sectors, while Ireland's exports reflect high-value manufacturing.

On the services side, Canada's exports to Ireland have risen by 164 per cent, especially in R&D, computer services, and consulting. Travel services also rebounded post-pandemic.

Irish services exports to Canada grew more modestly (44 per cent). Ireland's role as a hub for IP commercialization and digital services has enabled strong growth, though its footprint could still grow in Canada's tech and insurance sectors.

## Quantifying the opportunity

Our analysis shows that bilateral goods trade could increase by US\$1.5 billion annually across 13 product categories. For services, five sectors show strong potential: Canadian exports in finance, management and consulting services, and air transport; Irish exports in computer services and insurance and pension services. Assuming similar growth to goods, services trade could grow by another US\$571 million annually.

Eight Canadian goods categories—from mineral fuels and aircraft parts to fertilizers and aluminum—could more than double exports to Ireland. These opportunities are grounded in Canada's global competitiveness and Ireland's import needs. For example, Canada's potassic fertilizers align with Ireland's agricultural priorities.

Ireland has opportunities to expand exports of machinery, cosmetics, infant formula, and diagnostic reagents. These sectors build on existing strengths and market presence in Canada.



## Enabling the possibilities

Realizing these opportunities requires coordinated action. For Canadian policy-makers, reducing interprovincial trade barriers and streamlining investment processes are critical. Agencies like Invest in Canada and Export Development Canada can support firms with market intelligence and compliance assistance. Sector-specific support—for meat processors, pharmaceutical exporters, and clean energy firms—can unlock new markets.

Canadian businesses can view Ireland as a gateway to the EU. Mid-sized firms can test EU compliance in a small, English-speaking market. Life sciences firms can leverage Ireland's training infrastructure, such as Irish research and training programs now available in Canada. Professional services firms can explore CETA's mutual recognition agreements to expand offerings.

Irish policy-makers can support exporters by enhancing regulatory guidance and promoting niche products like cosmetics and essential oils. Agencies like IDA Ireland and Enterprise Ireland play a key role in facilitating market entry and building networks. Tourism Ireland can capitalize on high Canadian spending and interest in travel to grow tourism revenues and expand air routes.

Cross-cutting initiatives—such as academic mobility, trade missions, and CETA awareness campaigns—can deepen integration. Monitoring CETA utilization rates and expanding research collaboration through EU programs like Horizon Europe will further strengthen ties.

For the full research, see our impact paper [\*Beyond Barriers: Deepening Canada-Ireland Trade and Investment\*](#).