



**An Roinn Fiontar,
Trádála agus Fostaíochta**
Department of Enterprise,
Trade and Employment

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New Watchdog to Crack Down on Corporate Wrongdoing Established – Government

Gardaí staff at Corporate Enforcement Authority doubled

Thursday, 7th July 2022

A new watchdog to crack down on corporate wrongdoing has today been established by the Tánaiste and Minister for Enterprise, Trade and Employment, Leo Varadkar T.D., the Minister for Justice Helen McEntee T.D. and the Minister of State for Trade Promotion, Digital and Company Regulation Robert Troy T.D.

The Corporate Enforcement Authority (CEA) is a new statutory independent agency with the staff and resources to investigate and prosecute breaches of company law.

The Tánaiste said:

“Today is a really important day for corporate enforcement in Ireland. The Corporate Enforcement Authority is now officially established. We’re giving it real teeth, making sure it has the autonomy and resources to thoroughly investigate suspected wrongdoing, such as fraudulent trading and larger, more complex company law breaches. We’re increasing staffing levels by nearly 50%, including doubling the number of Gardaí. The Authority’s budget has also been increased by almost 30%.

“I am confident that the extra staff and additional funding will ensure that the new Authority can really make a difference and meet the differing and evolving demands of its remit, which includes investigation, prosecution, supervision and advocacy.”

The Minister for Justice Helen McEntee said:

“While a small country, we are a global centre for financial services with the size of the financial sector here continuing to grow significantly in recent years. Corruption and ‘white collar crime’ damages our economy, breeds cynicism in our society and is a threat to our international reputation.

When ‘white collar’ criminals undertake their enterprises in Ireland, they must be reminded, in no uncertain terms, that Ireland is no safe-haven and offenders will be prosecuted.

The significant investment in an independent and more powerful Corporate Enforcement Authority will strengthen our deterrence and is yet another demonstration of the Government's commitment to tackling crime.”

Minister of State for Trade Promotion, Digital and Company Regulation Robert Troy TD said:

“The establishment of the new Authority will ensure consumers and businesses have confidence that alleged breaches of company law will be effectively investigated and prosecuted.

“Having a well-resourced Authority with effective enforcement tools at its disposal is vital to ensuring the new Corporate Enforcement Authority can meet the challenges it faces in its investigation and prosecution of alleged breaches of company law. The Authority is equipped with significant enforcement powers including the power to issue a range of warning directions or notices, the power to enter and search premises and the power to bring summary criminal prosecutions. The signing of a Memorandum between the new Authority and An Garda Síochána will also ensure effective cooperation between these bodies.

“As Minister of State with responsibility for company regulation, I believe company law should always be responsive to new developments. My Department will continue to work with the new Authority to ensure it has the appropriate legislative tools necessary to enhance Ireland’s company law framework and to undertake modern, complex corporate law enforcement.”

ENDS

Notes to Editor

Details of Act

The orders providing for the commencement of the Companies (Corporate Enforcement Authority) Act 2021 and the establishment of the Corporate Enforcement Authority (CEA) were signed by the Tánaiste on 5th July and 6th July, respectively.

The Act invests the CEA with the same functions and powers that the Director of Corporate Enforcement has with some modifications to reflect the new commission structure. These include encouraging compliance with the Companies Act 2014, investigations of suspected offences and non-compliance under that Act, prosecution of summary offences, referring indictable offences to the Director of Public Prosecutions and the exercise of certain supervisory functions with respect to liquidators and receivers.

The Act provides for up to three full time commissioners, entitled Members, one of whom would be designated as Chairperson of the CEA. It is designed to give the new Authority the flexibility to structure itself in future to meet the differing and evolving demands of its remit, which includes investigation, prosecution, supervision, and advocacy, and along clear lines of responsibility.

The Act gives the CEA the ability to appoint its own staff. As for the ODCE, there is provision for secondment of Gardaí to the CEA. The Act also includes a section on the accountability of the CEA to Oireachtas Committees.

Powers

The Government continues to work on new measures to tackle economic crime and corruption through the cross-Government Implementation Plan arising from the report of the Review of Structures and Strategies to Prevent, Investigate and Penalise Economic Crime and Corruption (Hamilton Review Group) led by the Minister for Justice.

So new powers and other enhancements for the new Authority are matters that will continue to be actively considered.

Resources

In preparation for the establishment of the CEA, the budget of the ODCE has been increased by circa €1 million and the Department of Enterprise, Trade and Employment approved sanction for 14 additional civil servants to be assigned to the Authority to enable it to undertake its new functions. This represents an increase of 20% in the level of funding to the ODCE and an increase of 35% in the number of civil service staff.

The Garda Commissioner has committed additional Garda Síochána resources being made available to the CEA. The members of An Garda Síochána assigned to the CEA will increase from 7 to 16. The total increase in the overall headcount for the new CEA will be nearly 50% over previous levels.

The importance of adequately resourcing the CEA is also set out in the Implementation Plan arising from the Hamilton Review Group. The Implementation Plan commits to identifying the relevant Garda resources to be seconded to ODCE/CEA.

ENDS

The Department of Enterprise, Trade and Employment (DETE) plays a key role in implementing the Government's policies of stimulating the productive capacity of the economy and creating an environment which supports job creation and maintenance. The Department has lead responsibility for Irish policy on global trade and inward investment and a remit to promote fair competition in the marketplace, protect consumers and safeguard workers.

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