



Number 30 of 2003

INDUSTRIAL DEVELOPMENT (SCIENCE FOUNDATION IRELAND) ACT 2003

REVISED

Updated to 1 August 2024

This Revised Act is an administrative consolidation of the *Industrial Development (Science Foundation Ireland) Act 2003*. It is prepared by the Law Reform Commission in accordance with its function under the *Law Reform Commission Act 1975 (3/1975)* to keep the law under review and to undertake revision and consolidation of statute law.

All Acts up to and including the *Courts, Civil Law, Criminal Law and Superannuation (Miscellaneous Provisions) Act 2024 (30/2024)*, enacted 23 July 2024, and all statutory instruments up to and including the *Research and Innovation Act 2024 (Commencement) Order 2024 (S.I. No. 373 of 2024)*, made 25 July 2024, were considered in the preparation of this Revised Act.

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31. *Amendment of section 29 of Act of 1986.*
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33. *Amendment of section 34 of Act of 1986.*
34. *Amendment of Shannon Free Airport Development Company (Amendment) Act 1986.*
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ACTS REFERRED TO

Companies Acts 1963 to 2001	
Comptroller and Auditor General (Amendment) Act 1993	1993, No. 8
European Parliament Elections Act 1997	1997, No. 2
Finance Act 1895	58 & 59 Vic., c. 16
Finance Act 1999	1999, No. 2
Industrial Development (Enterprise Ireland) Act 1998	1998, No. 34
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AN ACT TO MAKE FURTHER PROVISION FOR THE DEVELOPMENT OF INDUSTRY, TRADE AND ENTERPRISE AND FOR THAT PURPOSE TO ESTABLISH A BODY TO BE KNOWN AS SCIENCE FOUNDATION IRELAND OR, IN THE IRISH LANGUAGE AS FONDÚIREACHT EOLAÍOCHTA ÉIREANN, TO DESIGNATE FUNCTIONS, TO AMEND THE INDUSTRIAL DEVELOPMENT ACTS 1986 TO 1998, THE SHANNON FREE AIRPORT DEVELOPMENT COMPANY (AMENDMENT) ACT 1986 AND TO PROVIDE FOR RELATED MATTERS. [14th July, 2003]

BE IT ENACTED BY THE OIREACHTAS AS FOLLOWS:

PART 1

PRELIMINARY AND GENERAL

Short title,
collective citation
and
commencement.

1. —(1) This Act may be cited as **the Industrial Development (Science Foundation Ireland) Act 2003**.

(2) The Industrial Development Acts 1986 to 1998 and this Act may be cited together as the Industrial Development Acts 1986 to 2003.

(3) The Shannon Free Airport Development Limited Acts 1959 to 1998 and **section 34** of this Act may be cited together as the Shannon Free Airport Development Limited Acts 1959 to 2003.

(4) This Act shall come into operation on such day or days as the Minister may appoint by order or orders either generally or with reference to any particular purpose or provision and different days may be so appointed for different purposes or different provisions.

Interpretation.

2. —(1) In this Act, unless the context otherwise requires—

“Act of 1986” means **the Industrial Development Act 1986**;

“Act of 1993” means **the Industrial Development Act 1993**;

“Act of 1995” means **the Industrial Development Act 1995**;

“Act of 1998” means **the Industrial Development (Enterprise Ireland) Act 1998**;

F1[“applied research” means original investigation undertaken in order to acquire new knowledge directed primarily towards a specific practical aim or objective;]

“Board” means the Board of the Foundation referred to in *section 8* ;

“Director General” means the chief officer of the Foundation appointed under *section 13* ;

“establishment day” means the day appointed by the Minister under *section 3* to be the establishment day;

“Forfás” has the meaning assigned to it by section 5 of the Act of 1993;

“Foundation” has the meaning assigned to it by *section 6* ;

“functions” includes powers and duties, and reference to the performance of functions includes, as respects powers and duties, references to the exercise of the powers and performance of the duties;

“institution” means any institute, university, college, laboratory, office or service (whether under the control of a Minister or otherwise) which is wholly or partly engaged in research and development or any other activity related to science or technology;

“Minister” means the Minister for Enterprise, Trade and Employment;

“oriented basic research” means research that is carried out with the expectation that it will produce a broad base of knowledge that is likely to form the background to the solution of recognised or expected current or future problems or possibilities;

“prescribed” means prescribed by regulations made by the Minister;

“remuneration” includes allowances for expenses, benefits-in-kind and superannuation;

F1[“strategic areas of opportunity for the State” shall be construed in accordance with *section 7(6)*];]

“superannuation benefits” means pensions, gratuities and other allowances payable on resignation, retirement or death.

(2) In this Act—

- (a) a reference to a section or Part is a reference to a section or a Part of this Act unless it is indicated that reference to some other enactment is intended,
- (b) a reference to a subsection or paragraph is to a subsection or paragraph of the provision in which the reference occurs, unless it is indicated that reference to some other provision is intended, and
- (c) a reference to an enactment shall be construed as a reference to that enactment as amended, adapted or extended by or under any subsequent enactment including this Act.

Establishment day.

3. —The Minister shall by order appoint a day to be the establishment day for the purposes of this Act.

Expenses.

4. —The expenses incurred by the Minister in the administration of this Act shall, to such extent as may be sanctioned by the Minister for Finance, be paid out of moneys provided by the Oireachtas.

Regulations.

5. —(1) The Minister may by regulations, provide for any matter referred to in this Act as prescribed or to be prescribed, and make regulations generally for the purpose of giving effect to this Act.

(2) Regulations under this Act may contain such consequential, supplementary and ancillary provisions as the Minister considers to be necessary or expedient.

(3) Every regulation made under this Act shall be laid before each House of the Oireachtas as soon as may be after it is made and, if a resolution annulling the regulation is passed by either such House within the next 21 days on which that House has sat after the regulation is laid before it, the regulation shall be annulled accordingly but without prejudice to the validity of anything previously done thereunder.

PART 2

SCIENCE FOUNDATION IRELAND

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Transfer of rights and liabilities to Foundation.	27. —F28[...]

PART 3

AMENDMENT OF INDUSTRIAL DEVELOPMENT ACTS 1986 TO 1998 AND SHANNON FREE AIRPORT DEVELOPMENT COMPANY ACTS 1959 TO 1998

Amendment of section 21 of Act of 1986.	28. —Section 21 of the Act of 1986 is amended by deleting subsection (5) of that section.
Amendment of section 25 of Act of 1986.	29. —The Act of 1986 is amended by substituting the following for section 25: “Employment grants. 25.—(1) The Authority may make a grant on such terms and conditions as it thinks proper in respect of a person employed in an industrial undertaking which conforms to the criteria set out in subsections (3) and (4) of section 21. (2) Without the prior permission of the Government, the total amount of money granted to a particular undertaking under this section shall not exceed in the aggregate the higher of— (a) €5,000,000, or

- (b) €5,000,000 in excess of the aggregate amount of such expenditure for which the prior permission of the Government has previously been obtained.”.

Amendment of section 28 of Act of 1986.

30. —Section 28 of the Act of 1986 is amended by substituting the following for subsection (4) (as amended by the Act of 1998):

“(4) Without the prior permission of the Government, the total amount of money granted to a particular undertaking under this section shall not exceed in the aggregate the higher of—

(a) €5,000,000, or

(b) €5,000,000 in excess of the aggregate amount of such expenditure for which the prior permission of the Government has previously been obtained.”.

Amendment of section 29 of Act of 1986.

31. —The Act of 1986 is amended by substituting the following for *section 29* (as amended by the Act of 1998):

“Research grants.

29.—(1) Following consultation with such bodies as may be specified by the Minister from time to time, the Authority may make a grant (in this section referred to as a research grant), subject to subsection (5), on such terms and conditions as it thinks proper towards the cost of research and development to which this section applies.

(2) This section applies to research and development which—

(a) has as its primary object the promotion or development of new or improved industrial processes, methods or products, and, in particular, such processes, methods or products as are likely either to involve the use or development of local materials, agricultural products or other natural resources or to offer prospects of expansion in existing industry, promotion of new industry or to increase industrial employment or to enhance the viability, competitiveness or strategic importance of existing industry in the State, and

(b) is carried out wholly or mainly in the State and wholly or mainly sponsored by one or more than one industrial undertaking in the State.

(3) For the purpose of a research grant the Authority may consult such adviser, consultant, institute or other organisation or person as it considers proper.

(4) (a) Subject to paragraph (b), the amount of a research grant shall not exceed 50 per cent of the approved costs of the research and development concerned or €2,500,000 whichever is the smaller sum.

(b) The amount of a research grant may, with the approval of the Government in a particular case, exceed €2,500,000 by such sum as the Government shall in that case specify, provided that the percentage limit specified in paragraph (a) is not exceeded.

(c) In this section ‘approved costs’ means in relation to a particular research grant, such expenditure by the industrial undertaking or undertakings concerned as the Authority is satisfied has been or will be incurred for the purpose of promoting the research and development concerned and has been or will be expended on—

- (i) the provision of sites or premises (including the acquisition of land), the construction and adaptation of buildings, and the provision of services and other works;
- (ii) the provision of plant, machinery, equipment and materials;
- (iii) the payment of fees or other remuneration to technical advisers consulted in connection with the research and development;
- (iv) the salaries and wages paid to and the travel and subsistence expenses of persons engaged on the research and development or in identifying product or process development prospects within the industrial undertaking; and
- (v) overhead charges associated with the research and development concerned.

(5) The Authority may, in the case of small industrial undertakings as defined from time to time by the Minister, make payment of up to one-third of a research grant prior to the approved costs being incurred on condition that the amount so paid shall be repaid to the Authority if the research or development project concerned has not been carried out to the satisfaction of the Authority.

(6) The Authority shall not make a payment under subsection (5) unless it is satisfied that the industrial undertaking has available to it sufficient assets to cover its liability under that subsection.

(7) The Authority shall not, without the prior permission of the Government, give in respect of a particular industrial undertaking, research grants exceeding in the aggregate the higher of—

- (a) €2,500,000; or
- (b) €2,500,000 in excess of the aggregate amount of research grants for which the permission of the Government has previously been obtained by the Authority.”.

Amendment of section 31 of Act of 1986.

32. —Section 31 of the Act of 1986 is amended by substituting the following for subsection (4) (as amended by the Act of 1998):

“(4) Without the prior permission of the Government, the total amount of money expended in the purchase or taking of shares in a particular industrial undertaking under this section shall not exceed in the aggregate the higher of—

- (a) €5,000,000; or
- (b) €5,000,000 in excess of the aggregate amount of such expenditure for which the prior permission of the Government has previously been obtained.”.

Amendment of section 34 of Act of 1986.

33. —The Act of 1986 is amended by substituting the following for section 34:

“Aggregate limit on investment aid. 34.—Without the prior permission of the Government, the total amount of money granted under sections 21 (as amended by the *Industrial Development (Science Foundation Ireland) Act 2003*), 22 or 25 (inserted by the *Industrial Development (Science Foundation Ireland) Act 2003*) to a particular undertaking or expended in the purchase or taking of shares in the same industrial undertaking under section 31 (as amended by the *Industrial Development (Science*

Foundation Ireland) Act 2003) shall not exceed in the aggregate the higher of—

(a) €10,000,000; or

(b) €10,000,000 in excess of the aggregate amount of such grants for which the prior permission of the Government has previously been obtained.”.

Amendment of
Shannon Free
Airport
Development
Company
(Amendment) Act
1986.

34. —The Shannon Free Airport Development Company (Amendment) Act 1986 is amended—

(a) in section 2, by substituting “ €350,000,000” for “ €200,000,000” (inserted by the Act of 1998), and

(b) in section 3, by substituting “ €400,000,000” for “ €250,000,000” (inserted by the Act of 1998).

Amendment of
Act of 1993.

35. —The Act of 1993 is amended—

(a) in section 6(1) by substituting the following for paragraph (b) (as amended by the Act of 1998):

“(b) to advise on the development and co-ordination of policy for Enterprise Ireland, IDA and Science Foundation Ireland and such other bodies (established by or under statute) as the Minister may by order designate,”,

(b) in section 6(1) by substituting the following for paragraph (e) (as amended by the Act of 1998):

“(e) to advise and co-ordinate Enterprise Ireland, IDA and Science Foundation Ireland in relation to their functions.”,

(c) in section 9(1) (as amended by the Act of 1998) by inserting “, IDA or Science Foundation Ireland” for “or IDA”,

(d) in section 9(3) (as amended by the Act of 1998) by substituting “Forfás, Enterprise Ireland, IDA and Science Foundation Ireland” for “Forfás, Enterprise Ireland and IDA”,

(e) by substituting the following for section 11:

“Grants. 11.—(1) There may be paid by the Minister to Forfás, IDA, Enterprise Ireland and Science Foundation Ireland, out of moneys provided by the Oireachtas, grants of such amounts as the Minister, with the consent of the Minister for Finance, may sanction for—

(a) the administrative and general expenses of Forfás, IDA, Enterprise Ireland and Science Foundation Ireland, and

(b) the obligations and liabilities of Forfás, IDA, Enterprise Ireland and Science Foundation Ireland.

(2) The aggregate amount of grants made by the Minister to Forfás, and the agencies under subsection (1)(b) (other than grants to which section 14(3) of the Act of 1986 applies) shall not exceed €3,400,000,000.”,

(f) by substituting the following for section 12:

“Industrial
incentives.

12.—(1) Without the prior permission of the Government, the total amount of money granted to a particular industrial undertaking under sections 21 (as amended by the *Industrial Development (Science Foundation Ireland) Act 2003*) and 22 of the Act of 1986 shall not exceed in the aggregate the higher of—

(a) €5,000,000, or

(b) €5,000,000 in excess of the aggregate amount of such grants for which the prior permission of the Government has previously been obtained.”

(g) in the First Schedule by—

(i) substituting the following for paragraph 2(2) (as amended by the Act of 1998):

“(2) The Board of Forfás shall consist of not more than 13 members and the Board of IDA shall consist of not more than 12 members.”,

and

(ii) substituting the following for paragraph 3(1) (as amended by the Act of 1998):

“(1) On every anniversary of the establishment day, 2 of the members of the Board shall retire from office.”,

and

(h) in paragraph 2(2) (as amended by the Act of 1998) of the Second Schedule by substituting “IDA, Enterprise Ireland, National Standards Authority of Ireland or Science Foundation Ireland” for “IDA, Enterprise Ireland or the National Standards Authority of Ireland”.

Amendment of
section 10 of Act
of 1995.

36. —Section 10 (as amended by the *Finance Act 1999*) of the Act of 1995 is amended in paragraph (3)(a) by substituting “ €500,000,000” for “ £200,000,000”.

Amendment of
Act of 1998.

37. —Section 52 of the Act of 1998 is amended by substituting “IDA, NSAI or Science Foundation Ireland” for “IDA or the NSAI”.

DUBLIN

PUBLISHED BY THE STATIONERY OFFICE



Number 30 of 2003

INDUSTRIAL DEVELOPMENT (SCIENCE FOUNDATION IRELAND) ACT 2003

REVISED

Updated to 1 August 2024

About this Revised Act

This Revised Act presents the text of the Act as it has been amended since enactment, and preserves the format in which it was passed.

Related legislation

Industrial Development Acts 1986 to 2019: this Act is one of a group of Acts included in this collective citation, to be construed together as one (*Industrial Development (Amendment) Act 2019* (46/2019), s. 6(2)). The Acts in this group are:

- *Industrial Development Act 1986* (9/1986)
- *Industrial Development (Amendment) Act 1991* (30/1993), in so far as it relates to the Industrial Development Act 1986
- *Industrial Development Act 1993* (19/1993)
- *Industrial Development Act 1995* (28/1995), so far as it relates to the Industrial Development Acts 1986 to 1993
- *Industrial Development (Enterprise Ireland) Act 1998* (34/1998), other than Part III in so far as it relates to the Legal Metrology Service, s. 35 and Part VIII
- *Industrial Development (Science Foundation Ireland) Act 2003* (30/2003)
- *Industrial Development Act 2006* (34/2006)
- *Industrial Development Act 2009* (11/2009)
- *Industrial Development (Science Foundation Ireland) (Amendment) Act 2013* (36/2013), other than ss. 7 and 10
- *County Enterprise Boards (Dissolution) Act 2014* (4/2014)
- *Industrial Development (Forfás Dissolution) Act 2014* (13/2014), other than Part 7
- *Withdrawal of the United Kingdom from the European Union (Consequential Provisions) Act 2019* (8/2019), Part 3 (*Repealed*)
- *Industrial Development (Amendment) Act 2019* (46/2019), other than s. 4

Shannon Free Airport Development Company Limited Acts 1959 to 2003: this Act, s. 34 is one of a group of Acts included in this collective citation, to be construed together as one (s. 1(3)). The Acts and provisions in this group are repealed or rendered obsolete by repeal of the provisions they amend.

Annotations

This Revised Act is not annotated and only shows textual amendments. An annotated version of this revision is also available which shows textual and non-textual

amendments and their sources. It also shows editorial notes including statutory instruments made pursuant to the Act and previous affecting provisions.

Material not updated in this revision

Where other legislation is amended by this Act, those amendments may have been superseded by other amendments in other legislation, or the amended legislation may have been repealed or revoked. This information is not represented in this revision but will be reflected in a revision of the amended legislation if one is available. A list of legislative changes to any Act, and to statutory instruments from 1972, may be found linked from the page of the Act or statutory instrument at www.irishstatutebook.ie.