



Establishing your foreign business in Ireland: key considerations for setting up an external entity or branch

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Evaluating branch status and registration requirements

When a foreign company (an external entity) intends to establish a presence in Ireland, it should consider whether its activities constitute those of a 'branch', which may require registration with the Companies Registration Office (CRO). Advice, including tax advice, should be sought to determine whether setting up a branch is a better option than incorporating a new company. If it is deemed that a branch exists, it must register with the CRO within 30 days of its establishment and comply with ongoing compliance and financial statement filing obligations.

What constitutes a branch?

Part 21 of the Companies Act 2014 includes provisions governing the establishment and maintenance of Irish branches of external entities. The Act defines a branch by reference to EU Council Directive No. 89/666/EEC of 21 December 1989 (the Branch Directive). However, the Branch Directive does not define 'branch', leading to some confusion. The characteristics of a branch have evolved through relevant case law. In determining whether a branch exists, consider the following:

- Whether the external company's Irish activities have an element of permanency;
- Whether the entity is negotiating with third parties in Ireland; and/or
- Whether management functions are being exercised in Ireland.

Is a branch a separate legal entity?

No, a branch is not a separate legal entity but an extension of the external entity operating in Ireland. Legally, the branch cannot enter into contracts or own property independently; any branch contracts will be executed by the relevant external entity.

What are the registration requirements?

In accordance with the Act, a branch must be registered within 30 days of its establishment in Ireland. The Act distinguishes between branches of European Economic Area (EEA) and non-EEA companies, although the registration and ongoing filing requirements are similar but not identical in each case.

A branch is typically registered with the same name as the external entity establishing a presence in Ireland. However, it is possible for the branch to operate and be registered under a different name by registering a business name.

Key registration and compliance requirements

To register a new branch with the CRO, a statutory Form F12 (for EEA companies) or Form F13 (for non-EEA companies) must be completed.

As part of the branch registration, certain details of the external entity must be disclosed, including its name, legal form, country of incorporation, registration number, address and current directors. The address and a description of the activities of the Irish branch must also be provided (with some share details for non-EEA directors). Along with the relevant forms, the following documents must be filed:

- A certified (and if applicable, apostilled) copy of the external entity's constitutional documents (e.g. constitution, bylaws or memorandum and articles);
- A copy of the certificate of incorporation of the external entity (together with any certificates of incorporation relating to name changes, if applicable); and
- A copy of its latest financial statements.

Certified translations will be required where these documents are not in English. The particulars of the CRO Form F12 or CRO Form F13, along with any accompanying documents, will become publicly available information once the CRO registers the branch. The incorporation process currently takes approximately two weeks.

Disclosure of details of authorised individuals

As part of the registration process, details of any directors and secretaries of the external entity must be provided, along with details of any other individuals authorised to represent the branch in dealings with third parties or in legal proceedings (i.e. authorised representatives). The scope of authority of each authorised representative must be specified on the CRO Form F12 or CRO Form F13 (as applicable). There are no restrictions on the number of authorised representatives that can be listed. Additionally, a branch must appoint at least one individual resident in the State who is authorised to accept service of documents on behalf of the branch and is responsible for ensuring compliance with the relevant provisions of the Act.

Is a branch required to file accounting documents?

Yes, during each year that it is established in Ireland, a branch of an EEA external entity must file a copy of the accounting documents the foreign entity is required to prepare and make public in its country of incorporation. These financial statements must be filed within 30 days of the date of filing in the country of incorporation.

Similarly, a branch of a non-EEA external company must publicly file a copy of the accounting documents it is required to prepare and, if applicable, make public in its country of incorporation. If the non-EEA external company is not required to prepare or file such accounting documents under the laws of its jurisdiction, it must prepare accounting documents in accordance with the EU accounting directives or International Financial Reporting Standards (i.e. audited financial statements, unless a particular audit exemption applies). These financial statements must be filed with the CRO within 30 days of preparation. A CRO Form F7 (return of accounting documents of an external company) must also be filed with the accounting documents.

Additional ongoing corporate filing obligations

An Irish branch should mirror the foreign entity regarding filings, so any filings made at the country of incorporation level should be reflected at the Irish branch level. This includes any alterations to the external entity's constitution, changes in directors, secretaries, or branch representatives, and any change of branch address or authorised person. A filing must also be made if the branch is wound up or closed.

It is important to remember that, separate from company law obligations, any external company operating as a branch in Ireland may be subject to a broad range of other Irish legislation, including employment and health and safety law.

We are here to help you

Navigating the complexities of establishing a presence in Ireland can be challenging, but you don't have to do it alone. Our expert Entity Governance and Compliance (EGC) team is ready to provide you with tailored advice and comprehensive support, whether you have questions about branch registration, need detailed guidance on compliance, or require strategic insights for your business expansion. Contact us today to ensure a seamless and successful set-up in Ireland.