



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

Oifig an Árd Rúnaí
Office of the Secretary General



PAC-R-344

Correspondence 3.18
Meeting – 08/03/2012

28 February 2012.

Ms. Eimear Lavelle
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2.

Dear Ms. Lavelle,

I refer to your letter of the 14th November 2011, in which you refer to an article from the Irish Times which was forwarded by an anonymous source to the Committee and noted at its meeting of the 10th November 2011.

The Committee sought a note on the use of joint investment vehicles by Enterprise Ireland.

The position is that the detailed operation of the exchequer supported Seed and Venture Capital Funds is reported publicly in Enterprise Ireland's annual Seed and Venture Capital Report. The most recent report for 2010 was published in July 2011 and is electronically available on EI's website. A hard copy is enclosed for information. EI's annual report also shows each year's cash receipts from and cash investment into the various seed and venture capital funds (2010 copy enclosed).

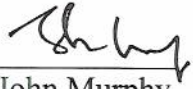
All of Enterprise Ireland's investment in Seed and Venture Capital funds (since the first Seed & Venture Capital Programme in 1994) has been strictly on the basis of *pari passu* investment with the private sector (i.e. a proportionate sharing of all costs, risks and rewards between all investment partners). The total committed by EI to seed and VC funds since 1994 is circa €325m; the total size of these funds is circa €1,200 million – EI has committed 27% of the overall investment size of these funds (this excludes the recent Innovation Fund Ireland which, of course, is also *pari passu* based).

It must be emphasised that when Enterprise Ireland invests in these funds, they do so in partnership with other private investors. These funds are majority owned by these private sector investors and as such the performance of individual funds is commercially sensitive and cannot be published or disclosed publically.

Information relating to the performance of these Funds is reported on in detail to Enterprise Ireland's Seed and Venture Capital Committee on which this Department is represented.

Please revert to me if you have any further questions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Murphy', written over a horizontal line.

John Murphy
Secretary General