

Update 22: Ireland - Reports Recession as Economy Contracts by 6.1% in Q2 2020

- Irish economy reported the largest quarterly GDP decline of 6.1%, on record, in Q2 2020 due to disruption in economic activity amid COVID-19 pandemic
- This decline surpassed the 4.7% fall in GDP in Q4 2008
- Government revised its initial estimate for growth in Q1 to -2.1%
- Following two consecutive quarters of negative economic growth, the country is now officially in recession
- The annual GDP contracted by 3% compared to the same period in 2019
- Personal consumption of goods and services, a key measure of domestic economic activity, decreased by 19.6% in Q2
- Despite the large reduction, the GDP contraction in Ireland was amongst the smallest in Europe and below the EU average of approximately 12%
- This is due to strong performance in the export sector as a large portion of manufacturers continued to trade despite the national lockdown
- As country reopened from COVID-19 lockdown, the Irish economy began to pick up in Q3 2020
- Government is now preparing the Budget for 2021 and a National Economic Plan to help the country recover from the recession
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments

Source(s)

<https://www.thejournal.ie/gdp-ireland-5197914-Sep2020/>

<https://www.irishexaminer.com/business/economy/arid-40044437.html>

<https://www.irishtimes.com/business/economy/ireland-in-recession-as-economy-contracts-by-more-than-6-1.4348513>

Targets Affected:

Ireland

Guidance

Actions to consider:

- Consider implementing suggested actions related to 'Negative Impact on Economy' under the 'COVID-19: Actions to Consider' section below / next page

Related Alerts

Aug. 23, 2020

Medium

Update 21: Ireland - Extends Lockdown in Kildare for Two Weeks Amid Increase in COVID-19 Cases

Aug. 19, 2020

Medium

Update 20: Ireland - Tightens COVID-19 Restrictions Until September 13, 2020 Amid Surge in Infections

Aug. 17, 2020

Medium

Update 19: Ireland - Raises Concern Due to Highest Daily Increase in COVID-19 Infections Since May 2020

July 25, 2020

Medium

Update 18: Ireland - Likely to Tighten Travel Restrictions for COVID-19 Hot Spots; Quarantine Lifted for Arrivals from 15 Nations

July 24, 2020

Low

Update 17: Ireland - Announces Stimulus Package of ~US\$8.6 B to Support Businesses Amid COVID-19 Pandemic

July 7, 2020

Medium

Update 16: Ireland - Extends Ban on Non-Essential International Travel Until July 20, 2020

June 26, 2020

Medium

Update 15: Ireland - Phase 3 of Easing COVID-19 Restrictions to Commence Starting June 29, 2020

June 25, 2020

Medium

Update 14: Ireland - Plans to Ease Air Travel Restrictions Starting July 2020

June 8, 2020

Medium

Update 13: Ireland - Enters Phase 2 of Easing COVID-19 Restrictions

May 28, 2020

Immediate

Update 12: Ireland - Announces New Quarantine Restrictions for Overseas Travelers Until June 18, 2020

May 18, 2020

High

Update 11: Ireland - Resumes Certain Businesses to Aid Economy Amid COVID-19 Pandemic

May 8, 2020

Immediate

Update 10: Ireland - Extends COVID-19 Lockdown for Three Weeks; Postpones Plans on Easing Restrictions Amid High Infection Rate

May 2, 2020

High

Update 9: Ireland - Extends COVID-19 Lockdown Until May 18; Plans to Relax Restrictions in Five Stages

April 22, 2020

Immediate

Update 8: Ireland - Bans Major Mass Gatherings of Over 5,000 Until August Amid COVID-19 Pandemic

April 11, 2020

Immediate

Update 7: Ireland - Extends Lockdown Until May 5, 2020 to Slow COVID-19 Spread

April 8, 2020

Immediate

Update 6: Ireland - Government Considers Extension of Lockdown Amid Increasing COVID-19 Cases

April 4, 2020

High

Update 5: Ireland - Central Bank Predicts GDP Slowdown by 8.3% and Unemployment Rate of 25%

March 31, 2020

Immediate

Update 4: Ireland - Increase in COVID-19 Cases

March 25, 2020

Immediate

Update 3: Ireland - Announces New Measures in Place Until April 19, 2020 to Control Spike in COVID-19 Cases

March 17, 2020

Immediate

Update 2: Ireland - Steep Rise in Coronavirus Infection Cases

March 11, 2020

Immediate

Update 1: Ireland - Surge in Coronavirus Infection Cases

March 2, 2020

Low

Ireland - Coronavirus Infection Cases

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.