

The ETF Revolution: ETFs and the Next Chapter for Ireland

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The global ETF market has moved well beyond its origins as a simple index-tracking tool. Today, ETFs are transforming asset management, reshaping distribution models and broadening investor access across the world. For Ireland, already the leading domicile for European ETFs, this shift represents not just an industry trend but a national opportunity. As the global ETF ecosystem accelerates, Ireland stands at a pivotal moment to define and expand its role.

At [Waystone's Ireland Summit 2025](#), our ETF panellists examined the key drivers behind the sector's current momentum and considered the broader implications for Ireland's financial services industry. The discussion highlighted one clear takeaway: the ETF revolution is in full swing and Ireland is strategically positioned to play a leading role in shaping its next chapter.

From Evolution to Revolution

ETF assets globally continue to grow at a pace unmatched by most other fund structures. Europe has experienced strong inflows, driven by innovation, improved liquidity and increased adoption by wealth managers.

"ETFs have shifted from being a wrapper to being a core technology for delivering investment strategies."

For Ireland, this evolution is deeply strategic. The country now hosts over 70% of Europe's ETF assets, supported by a skilled workforce, a robust regulatory framework and a highly integrated network of administrators, market-makers and service providers. The ETF wrapper has become a powerful mechanism for strategy delivery, and Ireland increasingly serves as the engine room behind that growth.

The Rise of Active ETFs and Ireland's Role in Digital Distribution

Active ETFs are emerging as one of the fastest-growing segments globally. By enabling managers to reach new investors, particularly through listed, transparent and scalable structures, they complement rather than disrupt existing mutual fund ranges.

Digital distribution is amplifying this trend across Europe. Online brokers, mobile-first wealth platforms and algorithmic advisory tools are expanding access, especially among younger, self-directed investors.

"Platforms are becoming the new aggregators. As access improves, adoption accelerates."

Ireland's significance here is twofold:

1. As a domicile, it provides the infrastructure that powers many of the ETFs offered on digital platforms.
2. As a financial centre, it stands to benefit economically as platform-driven ETF usage increases across the EU and UK.

Structural Innovation: Ireland's Leadership in ETF Innovation

Ireland is emerging as the natural home for ETF innovation. Regulators have shown continued support for modern product ETF wrapping techniques, including:

- Semi-transparent ETF frameworks
- Enhanced mechanisms for portfolio disclosure and IP protection
- Listed and unlisted share-class models

Industry leaders noted growing interest in more sophisticated portfolio strategies, with limited uptake on ETF share classes and semi-transparent disclosure models.

This flexibility strengthens Ireland's position as the innovation hub for European ETFs.

Domestic Barriers: The Case for Irish Tax Reform

Despite Ireland's global dominance as an ETF domicile, domestic investors remain underrepresented in ETF ownership. The current tax treatment of investment funds, including the deemed disposal regime, acts as a deterrent compared with direct equity investment. Many in the sector believe the time is right for reform.

A modernised, competitive tax framework would:

- Support Ireland's own retail investors
- Improve financial literacy and long-term savings outcomes
- Align Ireland with the compounding benefits enjoyed by ETF investors elsewhere
- Strengthen Ireland's role as both a global leader and a home market for ETFs

Unlocking this domestic market is increasingly viewed as a strategic national objective.

The Next Frontier: Private Market Access from Ireland

As private credit, private equity and infrastructure attract record levels of capital, attention is shifting to whether elements of these asset classes can be delivered through an ETF wrapper. The U.S. market has already seen early experimentation, particularly in private credit.

Ireland, as a sophisticated fund domicile with technical expertise and regulatory depth, is well positioned to become a centre for such innovation, should liquidity, transparency, and regulatory conditions align. These are all important market developments which will need to happen before we see this market develop in Europe.

Outlook 2026: Ireland's ETF Landscape

- Reinforcement of Ireland as a global hub: Ireland is set to strengthen its leadership as the core domicile for European ETFs through regulatory clarity and industry collaboration.
- Innovation in fund structures: Irish-domiciled platforms will play a central role in developing new and innovative solutions which will drive customer opportunities at an efficient pricing point

- Digital distribution growth: As retail participation rises across Europe, Ireland's ETF servicing ecosystem will be critical to enabling platform-based distribution.
- Critical importance of tax reform: Aligning ETF taxation with direct equity investment would unlock Ireland's own retail market and support long-term savings.

The ETF revolution is no longer simply about passive exposure, it represents a fundamental shift in how investment strategies are created, packaged, and accessed. Ireland, with its regulatory strength, deep investor-services ecosystem, and globally recognised ETF platform infrastructure, is positioned to remain at the forefront of this transformation.

Realising this opportunity will require close cooperation between policymakers, regulators, asset managers and innovators. If achieved, Ireland will not only consolidate its leadership as Europe's ETF powerhouse but also help shape the future of investment access for generations of investors.

Learn more

[Waystone ETFs](#) is an institutional ETF platform operator with over 20 years of asset-management experience, offering a comprehensive suite of fund-hosting capabilities. Our dedicated ETF team in London, Dublin, Geneva and Frankfurt brings specialised ETF expertise, access to digital channels and long-standing relationships across the global investment community, using open-architecture solutions to take ETFs from seed to success.

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