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To: RSES
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Subject: Submission on RSES on behalf of DBEI, EI, IDA Ireland
Attachments: DBEI EI IDA Submission to the EMRA on RSES.pdf

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Dear Eastern & Midland Regional Assembly,

Please find attached a submission on behalf of DBEI, Enterprise Ireland and IDA Ireland in response to the consultation on your draft Regional Spatial and Economic Strategy.

Kind regards

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**An Roinn Gnó,
Fiontar agus Nuálaíochta**
Department of Business,
Enterprise and Innovation

Eastern & Midland Regional Assembly: Draft 'Regional Spatial and Economic Strategy'

Submission on behalf of:

**Department of Business, Enterprise & Innovation
Enterprise Ireland
IDA Ireland**

January 2019

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Summary

The Department of Business, Enterprise and Innovation, Enterprise Ireland and IDA Ireland (collectively referred to as DBEI throughout this submission) commend the Eastern & Midlands Regional Assembly (EMRA) on its draft Regional Spatial and Economic Strategy. Implementation of the finalised RSES, can help drive a step-change in the economic development of the region.

DBEI welcomes and supports the focus on ‘place-making’ in the draft RSES. This is a key area in which the RSES can deliver an impactful and important outcome for the region. Companies are attracted to invest in locations where they can access skills and where people will want to live and work. DBEI believes the RSES should be ambitious in this regard and could give even greater prominence to place-making as a driver of economic development and enterprise investment.

DBEI also welcomes the ambition to draw on a range of Government supports (i.e. enterprise policy interventions) including clustering policies, start-up supports, R&D incentives and innovation funding. Such supports delivered by DBEI and the enterprise development agencies will contribute to building the dynamism and strength of the enterprise ‘eco-system’ in the region. To avoid confusion, DBEI recommends that unclear terminology be avoided throughout the draft RSES. ‘Strategic Specialisation’ is defined very broadly in the draft RSES and is not a concept used in national enterprise policy. National enterprise policy focuses on key driving factors such as facilitating market diversification, export growth and enhancing clustering activities and with broadening Ireland’s employment base, improving productivity across all sectors and strengthening the resilience of our economy.

This submission sets out how a number of important national policy initiatives can contribute to achieving the region’s ambition. These include *Future Jobs Ireland – Preparing Now for Tomorrow’s Economy*, which will take the form of a set of concrete and ambitious cross-Government’s actions to enhance productivity, create quality and sustainable jobs, and build a resilient and innovative economy. Also highlighted are the nine refreshed Regional Enterprise Plans which are focused on a suite of selected priority objectives requiring a collaborative regional effort, which bring a ‘bottom-up’ approach to tackling the specific challenges and opportunities in each region. We would like to see these initiatives reflected in the finalised RSES.

The draft RSES contains just under 220 ‘Regional Policy Objectives’ (RPOs). The significant quantity naturally reflects the broad range of policy areas that the RSES addresses and the complexities involved in setting out a strategic direction across many different stakeholders. However, the draft RSES would benefit from prioritisation in this respect. Fewer RPOs which set out the ambition for the region and allow diverse stakeholders to play their roles within their own mandate, could, in DBEI’s view, strengthen the focus of the RSES.

Introduction

The Department of Business, Enterprise & Innovation jointly with Enterprise Ireland and IDA Ireland (referred to collectively as DBEI in this submission), welcome the publication of this draft Regional Spatial and Economic Strategy (RSES) for the Eastern and Midland Regional Assembly (EMRA) and acknowledge the significant effort and commitment that have been shown by the Regional Assembly and their directors in order to produce this comprehensive draft strategy.

The RSES form an essential part of Project Ireland 2040, translating our national objectives to each region. Considering spatial planning in relation to our economic ambitions allows us to act strategically in creating places that are attractive to live and work in, and to improve quality-of-life of our people.

DBEI (the Department, Enterprise Ireland and IDA Ireland) have engaged pro-actively as stakeholders in the RSES drafting process. In providing this written response to EMRA's draft RSES, DBEI aims firstly, to support the Regional Assembly in its vision for the region and commits to working with EMRA and other stakeholders towards that ambition. Secondly, this submission provides an update on a number of enterprise policy areas which may contribute to progressing sustainable growth in the region. Finally, the submission addresses a small number of areas in the draft RSES where comments or clarifications may be useful.

Enterprise Policy Context

DBEI's work in supporting enterprise creation, growth and investment across Ireland's regions is informed by *Enterprise 2025 – Renewed*, which sets out Ireland's medium-term national enterprise policy. The policy was revised last year to ensure that it remains robust in response to a number of significant and emerging global challenges. These challenges include Brexit, global tax changes, growing international trade protectionism as well as disruptive technological advances. It sets revised national targets to 2020 including a national unemployment rate of no more than 5.5 percent, and a renewed commitment to realise the potential of our regions so that unemployment at regional level is within 1 percentage point of the national average.

The fundamentals of our enterprise policy remain a focus on export-led growth, underpinned by innovation and talent to drive economic dynamism and to deliver quality jobs throughout Ireland. Our interventions are focused on building resilience in our enterprise base in the face of domestic and international challenges.

The draft RSES for the Eastern and Midlands region sets out an ambition for how the many stakeholders in the region can work together to achieve more strategic and sustainable growth patterns in the future. DBEI welcomes EMRA's recognition of the role that enterprise policy and the enterprise agencies will play in achieving the region's full potential and can facilitate the delivery of the objectives set out in the draft RSES.

Focus on 'Place-Making'

DBEI welcomes and strongly supports the focus on 'place-making' in the draft RSES. This is a key area where the strategy can deliver an impactful and important outcome for the region. Companies are attracted to invest in locations where they can access skills, where people want to live and work, and

where the surrounding infrastructures are supportive of business. A focus on ‘place-making’ to facilitate the creation of compact urban settlements, in which people can live and work in a vibrant environment, and public services can be efficiently provided, is one of the central ambitions of Project Ireland 2040. Place-making as a driver of economic development and enterprise investment could be given even greater prominence in the RSES. The terminology of a ‘Health Place Audit’ could perhaps be better described as a ‘place-making checklist’.

The RSES should place a focus on revitalizing urban centres, prioritizing high-density brown field development and delivering attractive amenities to entice and retain talent in larger urban locations. Similarly, rural regeneration and development projects can enhance the distinctiveness and quality of life in rural areas with attractive natural and heritage amenities. DBEI would encourage the Regional Assembly, and local authorities, to be ambitious in this regard. Strategic investment in a ‘place’ is necessary to be internationally competitive in attracting investment. Entrepreneurs and enterprises are increasingly mobile and make decisions about where to establish, invest or expand, in a global context. Internationally, and in Ireland, the trend is increasingly toward urban areas of scale and concentrations of economic activity.

DBEI recognises and welcomes the role that the Regional Assemblies and local authorities and other stakeholders can make to progress immediate and medium-term ‘place-making’ objectives. Examples of these activities could include ensuring that there are in-house placemaking teams in local authorities, and that they plan for high-density mixed use as standard development models and diverse land-uses in urban cores, as well as adaptive re-use of buildings and street de-cluttering programmes.

Place-making extends beyond the physical environment. Tourism, cultural activities and events all play a role in creating attractive environments to live and work. It is important to acknowledge the role to be played by organisations such as Tourism Ireland, Failte Ireland, Bord Bia, the Department of Culture, Heritage and the Gaeltacht, the Arts Council and the National Parks & Wildlife Service along with many others. These organisations are key stakeholders in achieving the ‘place-making’ vision for the region as set out in the draft RSES.

The inclusion of a Metropolitan Area Spatial Plan for Dublin is a welcome component of the draft RSES and adds planning coherence for our largest city, including the identification of strategic residential and employment corridors. The sequencing and delivery of social and physical infrastructure to support more sustainable, compact development is key to facilitating Dublin’s sustainable growth.

DBEI strongly supports the ambition in the RSES with regard to promoting Smart City initiatives – utilising technology to enhance a cities services and amenities. These can add real value to the deployment of services, creation of employment and enhancing quality of life for citizens through.

Strategic Approach to Sector Development

The draft RSES highlights a range of enterprise policy interventions including clustering policies, start-up supports, R&D incentives and innovation funding. It expresses a welcome ambition to draw on these strategic Government supports to build the dynamism and strength of the enterprise ‘eco-system’ in the region. DBEI is positive about the role that the EMRA can play in supporting the work of enterprise stakeholders in the regions to achieve these objectives.

Enterprise 2025 sets out a portfolio approach to sector development – recognising that different sectors contribute in different ways in the economy. It is useful to distinguish between a market growth opportunity and the different sectors that might serve them – for example, opportunities arising in healthcare can be serviced by sectors involved in medical technologies, diagnostics, pharmaceuticals, engineering, materials and electronics.

The draft RSES refers to a ‘Strategic Specialisation’ strategy. This is not a concept used in national enterprise policy. ‘Strategic Specialisation’ is defined very broadly in the draft RSES. To avoid confusion, DBEI recommends that unclear terminology should be avoided. More broadly, there is something of a conundrum as between building distinctive strengths (smart specialisation strategies) within an increasingly competitive globalised environment while also ensuring there is a degree of diversity in Ireland’s enterprise structure. Competitive research and innovation funding allows sectors to build on their strengths, and clustering policies can enhance collaboration, and encourage the dissemination of new technologies. However, national enterprise policy is also concerned with broadening Ireland’s employment base and strengthening the resilience of our economy. This can be achieved through facilitating growth in a diversity of sectors, and growing productivity and skills across all sectors – which is a different emphasis to a strict ‘strategic specialisation’ approach. DBEI monitors the composition of employment, exports and investment on an ongoing basis to remain alert to concentration risks. DBEI, through the enterprise development agencies, will continue to focus on facilitating market diversification, export growth, improving productivity across all sectors and enhancing clustering activities.

DBEI is continuously engaged in horizon scanning and analysis to identify future opportunities in end-markets. Clusters in the vast majority of cases are not ‘created’, rather they emerge. Modern cluster policies aim to put in place a favourable business ecosystem for innovation and entrepreneurship in which new players can emerge and thus support the development of new industrial value chains and emerging industries. These initiatives can and do have regional impact, and DBEI therefore welcomes the strong support for this approach in the draft RSES.

The RSES should emphasise how critical access to higher-level education, apprenticeship programs, training and life-long learning is for exploiting opportunities across the region. The draft RSES identifies changing employment dynamics, sectoral evolution and differing demographics across the region. Noting the important role of the Regional Skills Fora, the strategy should also address the skills needs across the regions, in order to develop employment and investment opportunities. For example, training, re-skilling and ongoing learning opportunities should be identified as a core part of economic strategy, under ‘Human Capital’ on page 26.

Embedding Regional Ambition in the Work of DBEI and the Enterprise Development Agencies

Enterprise Ireland’s (EI) Corporate Strategy “Build Scale Expand Reach 2017 – 2020” places the regions at the core of its strategy. The strategy sets ambitious targets to sustain 200,000 existing jobs and to create 60,000 new jobs nationally by 2020. Enterprise Ireland has recently revised its regional structure and approach, which will strengthen the alignment of its regional activities with achievement of the agency’s overall strategic targets. The regional strategy will be underpinned by specific plans to grow,

sustain and future-proof jobs in each of the nine Enterprise Ireland regions. These plans will actively take account of the objectives and ambition set out for each regional area in the final RSES.

Initiatives being developed under the new EI Regional Plan will contribute substantially towards objectives set out in the draft RSES. Some of these include:

- **Resilience & Productivity:** The objective is to drive ambition, leadership and capability within the EI regional client base to: (i) enhance productivity, and (ii) grow, sustain & futureproof jobs and to expand reach.
- **Co-working & Second Sites:** The objective is to (i) balance regional development in rural and urban locations, (ii) maximise the EI investment in regional infrastructure
- **Food FDI:** The objective is to support the EI Food Team to win FDI projects in regions and to build on food regional capability.
- **Cities, Urban Drivers & Connectivity:** The objective is to drive balanced economic growth and scale in priority regional locations.

IDA Ireland is tasked with attracting foreign, export-focussed businesses to invest and create employment in Ireland. The agency places a significant emphasis on securing investments for regional locations under its current strategy, 'Winning: Foreign Direct Investment 2015 – 2019'. Over the course of 2019, IDA Ireland will be developing a new five-year strategy. This strategy will take account of the changing nature of work and the impact of technology on specific sectors.

Profound changes are occurring in the world of work and this is already reflected in the jobs being created by the IDA Ireland client base. IDA Ireland see an increasing complexity in the roles being created, technology skills becoming ubiquitous across roles, increasing demand for business professionals and a fall in the number of low-skilled jobs including back office support and basic manufacturing. This transition is likely to impact the nature and type of roles across the regions of Ireland. An assessment of investments delivered for regions since 2015 would confirm the strategic importance of a number of key criteria in actually influencing the investment decision. These include a critical mass of population, the ability to attract and develop appropriate skills, the presence of third level institutes, connectivity infrastructure and regional place-making strategies. The opportunities presented by attractive regional locations, and the ambitions of each region in creating quality living and working environments, therefore continue to play an important role in IDA's strategy.

The **Local Enterprise Offices (LEOs)** in every county are a 'first-stop-shop' for providing advice and guidance, financial assistance and other supports to those wishing to start or grow their own businesses. The LEOs provide a 'signposting' service in relation to relevant State supports and can also offer advice and guidance in areas such as Local Authority rates, Public Procurement and other regulations affecting business. The LEOs offer grant aid to microenterprises in manufacturing and internationally traded services sectors which have the potential to develop into strong export entities, in addition to 'soft' supports in the form of training, mentorship and targeted productivity programmes.

The LEOs, working in coordination with Enterprise Ireland, play an important role in regional entrepreneurship and supporting the enterprise eco-system. The regional objectives as set out in the RSES will be taken into account in the planning of activities which are agreed jointly (through Service Level Agreements) between Enterprise Ireland and the Local Authorities.

DBEI will continue to liaise with the EMRA and relevant stakeholders in the region, in order to ensure consistency between national enterprise policy initiatives and regional objectives. DBEI will engage with EMRA's implementation process as appropriate in this regard and update the Assembly on the ongoing work of the agencies periodically.

Update on National Enterprise Initiatives

A number of relevant enterprise policy initiatives have been announced over the last number of months, or are in development. Included are some of those that may complement the RSES and contribute towards its objectives. These should be referenced in the finalised RSES where appropriate.

FUTURE JOBS IRELAND

Future Jobs Ireland, 'Preparing Now for Tomorrow's Economy', along with Project Ireland 2040 and Global Ireland 2025 represent a new complementary approach to prepare for the opportunities and challenges of the future economy. While the ambition is national, the initiatives will have significant regional impacts; in aligning with Project Ireland 2040, Future Jobs Ireland will contribute towards the ambition and many of the objectives set out in the draft RSEs in each of the regions.

The pillars identified for Future Jobs are:

1. Increasing Productivity, Particularly in Irish SMEs
2. Innovation and Transformational Changes Arising from Technology
3. Enhancing Skills and Developing and Attracting Talent
4. Increasing Participation in the Labour Force
5. Transitioning to a Low Carbon Economy

Future Jobs Ireland is a multi-annual framework, with the first set of actions to be published in February 2019. The actions and deliverables in Future Jobs Ireland 2019 will be stepping stones to achieving our medium-term objectives.

REGIONAL ENTERPRISE PLANS 2020

In April of 2018, the Regional Action Plan for Jobs (RAPJ) Implementation Committees were asked by the Minister for Business, Enterprise and Innovation, to lead a process to 'refresh and refocus' the Regional Action Plans 2015-2017 to drive strategically important enterprise development objectives for the regions over the period to 2020. The refreshed (and renamed) Regional Enterprise Plans 2020 (REPs) have now been drafted and it is envisaged that the new documents will be launched in each region early in 2019.

The Regional Enterprise Plans will continue to be led by a Regional Steering Committee, which are each chaired by a senior figure from the private sector. The nine plans are developed in the regions at NUTS III/SPA level and therefore each of the three Regional Assemblies encompass a number of the refreshed plans. These plans can contribute to realising the ambition for the wider region as set out in the draft RSES and are complementary to the RPOs set out in Chapter 6.

The REPs are intended to add value to the existing corporate plans of the enterprise agencies, the LEO Local Enterprise Development Plans, the Regional Skills Fora, and the activities of the wider range of

State Bodies involved in supporting enterprise development. They are focused on a suite of selected strategic objectives requiring a collaborative regional effort and are thus not meant to be comprehensive economic development strategies on their own. The Plans are 'live' documents, so that new ideas in response to regional opportunities and challenges can be included if necessary during their lifetime. They will be renewed every two years. The refresh of the Regional Action Plans has informed and been informed by the development of the RSEs during the course of 2018, and they are aligned in the regional ambitions expressed in the draft strategy – though they operate on different timeframes.

A key objective of each of the plans is to have an additional 10 to 15 per cent in work in each region by 2020, with the unemployment rate in each region within one percentage point of the national average. Some but not all of the regions are on track to achieve these targets by 2020. Different challenges are emerging in each region, including within EMRA, despite strong overall job creation performance. Many of these challenges are identified across the three draft RSEs. Engagement between the Regional Assemblies and the REP committees can support regional economic development and ensure that jobs created and maintained are of good quality and sustainable over the longer term. All references to the Regional Action Plan for Jobs and their committees in the draft RSEs should be updated to reflect the refresh and role of the REPs as described.

Some of the strategic objectives identified in the REPs that make up the EMRA region include:

- Position and support the growth of the Midlands as an advanced manufacturing centre of excellence.
- Leverage opportunities in big data and data analytics from iLOFAR.
- Ensure that the Midlands is well positioned to address the challenges posed by the transition to a low carbon economy and renewable energy increase enterprise engagement in innovation, research and development to ensure Dublin's continued competitiveness and productivity.
- Build a pipeline of sustainable and scalable start-ups in Dublin and provide quality support
- Develop the Mid-East as a hub for the Screen Content Creation Sector
- Build an ecosystem framework to support the Agri-food sector in the Mid-East
- Develop a network of innovative co-working spaces in the region to mitigate long commuting times, promote remote working opportunities and life-style benefits.

REDF, PROJECT IRELAND 2040 FUNDS AND FORTHCOMING INITIATIVES

The draft RSEs has a welcome role in sign-posting opportunities for collaborative projects in the region to seek competitive funding available from a number of sources. DBEI particularly welcomes RPO 6.29 which commits to the design and implementation of a framework to provide technical support to regional stakeholders to develop and strengthen their bidding capacity for these funds. The objective should assist actors in the region to identify infrastructure deficits and opportunities, to prepare strong business cases, to identify appropriate funding sources, to bid, and successfully attract competitive funding for projects in the region, building effective collaboration regionally. EMRA can play a valuable role in this regard and can strengthen the capability of stakeholders in the region to achieve the objectives set out in the RSEs.

The Regional Enterprise Development Fund (REFDF), and the four funds announced as part of Project Ireland 2040, are already established and are supporting exciting collaborative initiatives in the region.

An update on these is provided in Appendix I, as well as a note on relevant other forthcoming policy initiatives including the National Digital Strategy as well as Industry 4.0 and Advanced Manufacturing.

REGIONAL INNOVATION AND TECHNOLOGY CLUSTERS

The draft RSES references the 'Technology and Innovation Poles' as described in Project Ireland 2040, DBEI welcomes the ambition to develop the Institutes of Technology as hubs for innovation and enterprise creation.

These projects are now being referred to as 'Regional Innovation and Technology Clusters', and in budget 2019 €2.75m was allocated by the government to fund this support programme, which will link SMEs and Institutes of Technology to build regional sectoral clusters of scale. The relevant commentary in the draft RSES should be updated in this regard.

While the location of such clusters, which will be subject to a competitive fund process and cannot yet be determined, it is clear that the Institutes of Technology will be the primary hubs for the initiative. DBEI strongly supports the ambition identified in the RSES to scale the activities of the Institutes of Technology as economic and entrepreneurial actors in the region, so that they engage with more businesses that will become embedded, grow and outlast transient economic cycles.

Technology clustering will facilitate further scaling of the capability of the Institutes of Technology, in a planned, internationally ambitious way. These will create centres of excellence for generating high-levels of entrepreneurship and spin-outs in the regions, while also being key activators in supporting firm-level innovation, productivity, scaling and internationalisation.

Commercial Property

Access to a range of options for serviced property solutions throughout the country forms a key part of Ireland's proposition for attracting and retaining enterprises. The availability of suitable premises, and infrastructure are key to entrepreneurs, and development of enterprises.

In addition to marketing its own property solutions (buildings and/or serviced sites), IDA also promotes properties not in its ownership where these meet the required standards for manufacturing facilities or state-of-the-art, office-based activities of prospective IDA client companies. Key determinants of attractiveness include access to utilities, proximity to international air and sea transport, high quality broadband infrastructures, public transport options and car parking facilities. In the case of buildings, investing enterprises require high-quality standards, sustainable (efficient) and visibly attractive offerings.

IDA Ireland works on an ongoing basis with local authorities responsible for locations in which the agency has property assets. This is a deliberative process aimed at ensuring appropriate planning conditions and supply of supporting infrastructure are achievable for each specific site. This allows for early sight of potential investments, appropriate planning activities and build-out of relevant supporting infrastructure. The RSES should facilitate this direct engagement between the state economic development agencies, and Local Authorities to continue, while addressing the role such investment can play as part of a broader regional economic strategy.

The draft RSES has outlined a process to identify available locations, it would be useful to have a published, visible listing of properties, encouraging entrepreneurs and enterprises to avail of local facilities for their businesses.

Comments on Terminology and RPOs

The draft RSES contains just under 220 'Regional Policy Objectives' (RPOs). The significant quantity naturally reflects the broad range of policy areas that the RSES addresses, as well as the complexities involved in setting out a strategic direction across many different stakeholders. However, in DBEI's view, there is room for consolidating RPOs. A number of the draft RPOs could be addressed in a single or smaller number of objectives by identifying the high-level aim of the intervention rather than detailing all possible tools.

DBEI suggests that the RPOs can be most effective where they are specific in stating their objective, and broad enough for multiple stakeholders to contribute to the aim as set out. While some objectives may be specific to an agency, most objectives require the input of multiple departments and stakeholders. The RPOs should set a clear objective but not limit the breadth of organisations operating in the region that might contribute to achieving the desired outcome. For example, RPO 6.20 has as an objective to support the development of industries that create and employ green technologies and identifies the role of LEOs and enterprise agencies. While these have an important role, this objective can and should be supported by a much wider range of stakeholders. Fewer RPOs, setting out the ambition for the region and allowing diverse stakeholders to play their roles within their own mandate, could strengthen the focus of the RSES.

A number of RPOs merit some further discussion or clarification:

RPO 4.5 Promote the expansion of the existing enterprise ecosystem in Athlone and creation or expansion of distinct industrial specialisms that have developed through collaboration with the relevant enterprise agencies, including AIT, IDA and the Midland Innovation and Research

DBEI welcomes this objective. The state funded, technology centre, Irish Manufacturing Research (IMR), should be mentioned as a regional stakeholder and support.

RPO 6.1 Support the national economic agencies, Local Enterprises Offices, Regional Plan for Jobs implementation committees and Local Authorities with their plans for job creation with an emphasis on: an enterprise base with increase productivity and more diversification - including diversification of their markets - with high levels of innovation, skills adaptability and relatively low costs of doing business; maintaining full-employment with unemployment rates of each Strategic Planning Area not exceeding the State average by more than one percentage point; applying the guiding principles for strategic employment and investment prioritisation in placemaking for enterprise development

DBEI welcomes the support of EMRA in this regard. This ambition supports the plans outlined in Future Jobs Ireland and the refreshed Regional Enterprise Plans will also contribute to the region's economic development. In order to recognise the wider range of stakeholders who may be involved it is suggested that the following wording be used; "Support the national economic agencies, Local

Enterprises Offices, Regional Enterprise Plan Steering Committees, Local Authorities and other relevant stakeholders, with their plans for job creation and enterprise development...”

RPO 6.25 *Support enterprise development agencies and LEOs in their efforts to increase business innovation capacity, to create a distributed network of co-working hubs, to promote Ireland's Edge to strengthen linkages between Irish-owned enterprises and foreign-owned enterprises and to support existing Irish entrepreneurs and to attract overseas entrepreneurs*

The development and promotion of co-working spaces and hubs is part of Enterprise Ireland’s regional plans. The Regional Assembly providing and supporting a list of regional locations for entrepreneurship and enterprise is welcome. The national enterprise agencies have a number of initiatives to promote and strengthen linkages between indigenous and foreign firms operating in Ireland that will contribute to this objective.

RPO 6.26 *Support enterprise development agencies to map, monitor and evaluate the Region's enterprise and innovation ecosystem, benchmarking against other relevant jurisdictions nationally and internationally*

It is suggested that this RPO be revised. The majority of enterprises are not clients of the agencies and the mandates of the agencies are generally limited to supporting internationally trading enterprises.

The agencies each have a specific mandate (Enterprise Ireland supports indigenous firms that export, IDA Ireland supports export-focussed foreign-owned firms investing in Ireland), and it is important to note that the sectors supported by the agencies do not represent a comprehensive picture of Ireland’s enterprise base. Significant regional data is already collected – through ABSEI, AES, and CSO economic and social regional data. The economic surveys undertaken on a regular basis by DBEI provide a key element of the Department’s policy research capability, further information on these is provided in Appendix II.

DBEI will continue to engage on how the wide range of available economic data can most appropriately and efficiently be collated (at national and regional levels) to be useful for stakeholders.

RPO 6.28 *EMRA will support the construction of a regional brand that is consistent with, and complementary to, current local and national branding, to promote the Region domestically and abroad.*

DBEI would propose that this objective could be amended to “EMRA will explore strategic approaches to regional branding and messaging...” to allow for a full consideration of options and existing regional brands in deliberation with the relevant stakeholders.

RPO 6.29 *Design and implement a framework to provide technical support to Local Authorities, government agencies and regional stakeholders to develop and strengthen their bidding capacity, that*

is their capacity to identify infrastructure deficits and opportunities, to prepare strong business cases, to identify funding sources, to bid, and successfully attract competitive funding.

DBEI supports EMRA's ambition in this regard. With many competitive funding sources available to Local Authorities and state bodies under the Project Ireland 2040 the capacity to effectively pitch for these opportunities should be supported and strengthened where possible. Enterprise Ireland is happy to engage with EMRA on this proposal (based on its experience of regional competitive calls and conducting client tender training).

RPO 6.32 *Support enterprise agencies, RAPJs, LECPs, Regional Skills fora and local stakeholders on their introduction of contingency plans and pilot projects based on the strengths of the Region to counteract the effects from industrial decline and potential external shocks in the Region. This may include lifelong learning programmes, appropriate business supports and upskilling to facilitate moving to alternative sectors in the locality or region.*

The national development agencies assess and plan for sectoral employment evolution and changing sectors on an ongoing basis within the remit of the areas in the employment base where they have a mandate. DBEI and the agencies will continue to engage with all stakeholders, and support enterprises, to pre-empt and mitigate the impacts that emerge from external disruption or technology cycle challenges.

We note that the Regional Enterprise Plan Steering Committee for the Midlands intends to support the actions of the Regional Transition Team to address the challenges and opportunities presented by the acceleration of decarbonisation by Bord na Mona.

Finally, on pages 92 and 93 of the draft RSES, which contain maps of 'EMRA's Enterprise Development and Innovation Assets' the sites which are identified as Enterprise Ireland 'Innovation Centres' should properly be referred to as 'Incubation Centres'. These are campus-based incubation centres for fledgling enterprises or products.

Appendix I: Update on REDF and Project Ireland 2040 Funds and Forthcoming Policy Initiatives

A number of policy initiatives have been in development or announced over the last number of months. A number of these are included here which may complement the RSES and contribute to some of its objectives.

DBEI announced the **Regional Enterprise Development Fund (REDF)** in May 2017 with the overarching aim of driving enterprise development and job creation in each region throughout Ireland. Administered by Enterprise Ireland it has now announced funding for successful projects over two rounds of competitive calls. It supports new collaborative and innovative initiatives that can make a significant impact on enterprise development in the region/across regions, or nationally. Projects supported in the Eastern-Midlands region include:

Project	Amount €	Description
County Kildare Community Network	€1,917,200	Co-working space and advance landing zone for FDI (MERITS)
Boyne Valley Food Innovation District	€1,580,640	Food enterprise incubation centre
Irish Manufacturing Research CLG	€2,165,280	Irish Manufacturing Sector Research
Mountmellick Development Association	€218,200	Centre for Business Excellence
Offaly Innovation & Design Centre CLG	€458,600	A Creative Suite to provide central location and space
BPO Cluster Ireland CLG	€155,064	Scaling the BPO Sector
Dublin Enterprise & Technology Centre	€3,226,776	Guinness Enterprise Centre – Co-Working Supports
Ghala DAC	€2,488,528	Innovation Centre at Grand Canal Dock
Social & Local Enterprise Alliance DAC	€1,135,195	Establishing, hosting & Empowerment of Creative/Artisan Start-Ups
Innovate Dublin Communities CLG	€249,955	Co-Working Space and Curation of Social Innovation in the Liberties
SPADE CLG	€2,094,000	Food Kitchen Incubator

As part of Project Ireland 2040, the Government committed to providing €1 billion for a new **Rural Regeneration and Development Fund (RRDF)** over the period 2019 to 2027. The Fund provides investment to support rural renewal for suitable projects in towns and villages with a population of less than 10,000, and outlying areas. It is administered by the Department of Rural and Community Development. The new Fund provides an unprecedented opportunity to support the revitalisation of rural Ireland, to make a significant and sustainable impact on rural communities, and to address depopulation in small rural towns, villages and rural areas. The first project announced under this fund in the EMRA region is a major upgrade of the Emo Court Estate, in County Laois. The Office of Public Works is the lead applicant the project which received a financial allocation of €1,200,000.

The **Urban Regeneration and Development Fund (URDF)** is intended to drive regeneration and rejuvenation of strategic and under-utilised areas within Ireland’s five cities, key regional drivers and other large towns. The Department of Housing, Planning and Local Government (DHPLG) has responsibility for implementing the fund, which has an overall allocation of €550 million up to the end of 2022. The fund operates on a competitive, bid-based grant basis, with proposals being required to demonstrate that they will be innovative and transformational urban regeneration projects. Projects selected for support in the EMRA region include:

Project title	Lead partner	Financial allocation
Bray Public Transport Bridge	Wicklow County Council	€3,450,000
Tallaght Town Centre (Civic Plaza/Link Roads)	South Dublin City Council	€3,000,000
Navan Active Land Management Project	Meath County Council	€3,675,000
Portlaoise - A Cultural Quarter	Laois County Council	€2,343,000

DBEI has started to provide funding under the Government’s new **Disruptive Technologies Innovation Fund (DTIF)**. €500 million is available for co-funded projects involving enterprises and research partners over the period to 2027. Disruptive technology is that which has the potential to significantly alter markets and their functioning and significantly alter the way that businesses operate. While it involves a new product or process, it can also involve the emergence of new business models. Disruption is about the combination of technology and business model innovation. Projects selected for support in the EMRA region include:

Project title	Consortium members	Financial allocation
A disruptive gene therapy platform, replacing viruses in the treatment of genetic conditions	Amryt Pharma, Currant Scientific Ltd, University College Dublin, DEBRA Ireland	€8,400,000
HOLISTIC - Holistic human sensing for health, aging and wellness	Tyndall National Institute, DABL, PMD Solutions, De Royal, Setanta, University College Cork Lero, Sanmina, Design Partners, VRAI, Henkel, ADI, HRB CRF-C, University College Cork Insight	€7,400,000
The future of colorectal cancer diagnosis and treatment: combining tissue responsive probes, AI and machine learning to transform medical care	RCSI, Deciphex, IBM Research, University College Dublin	€5,700,000
Towards safe and effective off the shelf cellular therapy for cancer	Onkimmune, Janssen, National University of Ireland Galway	€4,300,000
Photonics manufacturing pilot line	Tyndall National Institute, Ficontec, MBRYONICS, Eblana Photonics, Sanmina Ireland, Faztech	€4,100,000

The National Development Plan also set out the creation of a **Climate Action Fund** to support climate action projects which will leverage investment by public and private bodies. The Fund will have an allocation of at least €500m over the period to 2027. This includes the objective of funding initiatives that contribute to the achievement of Ireland’s climate and energy targets in a cost-effective manner. Some of the projects identified to date include:

Project title	Lead partner	Financial allocation
ESB Electric Car Vehicle High Power Charging Infrastructure Development Project	ESB eCars	€10,000,000
Hybrid Drive for Inter City Rail Car (ICR 22000) fleet	Irish Rail	€15,000,000
Dublin District Heating System	Dublin City Council	€20,000,000
Local Authority Project Lighting Energy Efficiency Project	Road Management Project	€17,470,000

In 2013, Ireland’s **National Digital Strategy** was launched, and focused on **Doing more with Digital**. It was a first step to help Ireland reap the full rewards of a digitally enabled society, and set out practical actions and steps to encourage and assist citizens and businesses to get online. SMEs have benefitted from online trading vouchers to take the first steps to go online. Citizens have been assisted in developing their digital skills and the school Digital Champion programme has enhanced the use of digital technologies in teaching, learning and assessment.

Five years on, the Government is seeking to develop a new National Digital Strategy to take full advantage of the opportunities of digital transformation. We need to position Ireland to fully exploit digital to fulfil our potential - that is to maximise the well-being of our citizens as well as the productivity, competitiveness and sustainability of our economy. The Strategy will aim to ensure that we support and shape the impact of technology for good and manage the transformation in an inclusive and citizen centric way. During 2018 the Government held a consultation process with the relevant stakeholders and the public, with the purpose of developing a new digital strategy, updated to better align with the new opportunities and needs that have arisen. The consultation process ended in November 2018 and we expect the new strategy to be finalised in 2019.

The term **Industry 4.0** typically refers to the transformation underpinned by pervasive digitalisation across value and supply chains in international manufacturing internationally.

Industry 4.0 is enabled by a wave of advanced new digital technologies which include for example the internet of things, cloud computing and machine learning. DBEI are currently developing an Industry 4.0 strategy to respond to the opportunities and challenges arising. The Industry 4.0 strategy will build upon the comparative advantage that Ireland has built over the years in terms of certain process industries and product manufacturing and in terms of expertise in global supply chain management.

It will draw on the report published by the Expert Group on Future Skills Needs (EGFSN), ‘Digital Transformation: Assessing the Impact of Digitalisation on Ireland’s Workforce’, a study on the impacts of the adoption of digital technologies over the years 2018 to 2023. This study provides insights on the

impacts that the adoption of digital technologies will have on workers in Ireland by sector, occupation and region, and highlights the opportunities and challenges that this will present.

IDA Ireland has embarked on a series of strategic actions to facilitate clustering of industry stakeholders with a focus on key emergent technologies such as block-chain, cyber security, and advanced manufacturing in order to drive awareness and collaboration. This action combines with the agency's funding mechanisms to support the industry base, and facilitates greater interplay between multi-nationals, small-enterprises and the greater connected supply chain.

In this regard, IDA Ireland is also planning to establish an Advanced Manufacturing Centre within the National Technology Park in Limerick (planning permission for this 3,000 sq/meter facility was submitted prior to Christmas). This initiative is in response to the identified needs of our discrete manufacturing industry base, and will serve the entire Irish-based manufacturing sector. Critically, the centre will be of scale and an exemplar internationally while ensuring coordination with and also complimenting existing resources. The Advanced Manufacturing Centre will provide a collaborative environment focussed on the acceleration of core platform technologies to "digitize" Ireland's discrete manufacturing base and supply chain partners.

This investment will complement existing investments and will ensure that the connected manufacturing ecosystem is served by national resources which span from fundamental research to applied technology deployment at scale. In addition, a key component of Ireland Inc's continued future success requires the establishment of a National governance model for Advanced Manufacturing. This process is advancing under the leadership of the Department of Business Enterprise and Innovation and is central to ensuring a coordinated national approach thus ensuring the entire manufacturing base is served appropriately.

Appendix II: DBEI's Employment Data Role

In the context of the RSES' ambition to create a 'shared evidence base' for economic strategy it is important to highlight that significant regional data is already collected – through ABSEI, AES, and CSO economic and social regional data. The economic surveys undertaken on a regular basis by DBEI provide a key element of the Department's policy research capability. These include:

Enterprise Agency Annual Employment Survey (AES) - provides an analysis of employment levels in Industrial (including Primary Production) and Services companies under the remit of IDA Ireland, Enterprise Ireland and Údarás na Gaeltachta. The annually published survey looks at employment trends and also provides breakdowns of full-time and part-time employment of agency client companies by ownership, sector and region.

Enterprise Agency Annual Business Survey of Economic Impact (ABSEI) - provides data on all Irish-owned and foreign-owned client firms of the enterprise agencies. Data is gathered at company level – all plants are amalgamated regardless of the region they are in (due to intercompany sales and for ease of data gathering burden on the entities). The purpose of this data collection is to inform evidence-based policymaking and enable the agencies to monitor the performance of client companies. The ABSEI report includes the expenditure of these firms in the Irish economy (payroll, Irish goods and Irish services) along with sales and exports results. It also gives an overview of the evolution of manufacturing and internationally-traded services sectors over a time period. The ABSEI report is published annually.

Higher Education R&D Survey (HERD) – provides data on research and development (R&D) activities in the higher education sector. Expenditures and human resources devoted to research work in the higher education sector are measured biennially in the HERD survey. Data is collected from the universities, institutes of technology, and other institutes that are in receipt of public funding and engaged in research and development activities.

The Research and Development Budget (R&D) - brings together the expenditure and personnel figures for the R&D performers in the economy, i.e. for the Business, Higher Education and Government sectors. Data is collected from 31 Government Departments and agencies who are engaged in some form of R&D activity. This survey is published annually.

Note: The data for the AES and ABSEI reports are collected in conjunction with the enterprise agencies (IDA Ireland, Enterprise Ireland and Údarás na Gaeltachta). Third level institutions provide data for the HERD whereas government departments and agencies provide data for the R&D Budget. Other sources of economic data may also include the Central Statistics Office, Eurostat and the OECD, the latter two being useful for benchmarking purposes. The Department also publishes a monthly dashboard which pulls together departmental and national statistics on business, employment, enterprise and the economy which is used for planning and policy purposes.