Partnership Agreement

Ireland

1 January 2014 – 31 December 2020
in accordance with Articles 14 and 15 of Regulation (EU) N0 1303/2013 of the European Parliament and of the Council of 17th December 2013

November 2014
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<td>COSME</td>
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<td>DTF</td>
<td>Development Task Force</td>
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<td>Abbreviation</td>
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<td>EAFRD</td>
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<td>(Liaisons entre actions de developpement de l’économie rurale) Rural Development Programme</td>
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<td>Local Employment Service</td>
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<td>LIFE programme (the EU’s funding instrument for the environment)</td>
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<td>Manufacturing, Building and Construction</td>
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<td>Marine Coordination Group</td>
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<td>MS</td>
<td>Member State</td>
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<td>MTES</td>
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<td>NBP</td>
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<td>NESC</td>
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<td>NGB</td>
<td>Next Generation Broadband</td>
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<td>NGN</td>
<td>Next Generation Network</td>
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<td>NHA</td>
<td>Natural Heritage Area</td>
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<td>National Research Prioritisation Exercise</td>
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<td>National Spatial Strategy</td>
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<td>NUTS III</td>
<td>The NUTS III regions are Dublin, Mid-East, Mid-West, South-East, South-West, Border, Midland and West Region</td>
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<td>Nomenclature of Territorial Statistical Units – a system of classification of regions across the EU used by the European Commission.</td>
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<td>OREDP</td>
<td>Offshore Renewable Energy Development Plan</td>
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<td>PIAAC</td>
<td>Programme for the International Assessment of Adult Competencies</td>
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<td>PR</td>
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<td>PSCI</td>
<td>Programme for Social Change and Innovation</td>
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<td>PU</td>
<td>Predominately Urban</td>
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<td>QNHS</td>
<td>Quarterly National Household Survey</td>
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<td>Small Business Act</td>
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<td>Simplified Cost Option</td>
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<td>Strategic Environmental Assessment</td>
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<td>System for Fund Management in the European Community</td>
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<td>Science, Technology and Innovation</td>
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<td>SUD</td>
<td>Sustainable Urban Development</td>
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<td>SWOT</td>
<td>Strengths, Weaknesses, Opportunities and Threats</td>
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<td>UNCRPD</td>
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Introduction
The Partnership Agreement sets out the policy context within which European Structural and Investment Funds allocated to Ireland will be applied. The PA outlines Ireland’s development needs and defines national priorities to support its National Reform Programme (NRP) and the achievement of national targets for delivering the Europe 2020 Strategy for smart, sustainable and inclusive growth.

The Government is committed to continuing the process of economic reform and recovery. The Medium Term Economic Strategy (MTES) sets out the policy framework to continue the work of rebuilding the Irish economy, achieving sustainable economic growth, strong public finances, and enduring job creation. The overall objective is to ensure a job-rich recovery and to set Ireland on the path to sustainable prosperity. This in turn will provide jobs and opportunities for our people and high quality public services, and encourage innovation in business and across society. In particular, we have adopted and published annual Action Plans for Jobs, beginning in 2012. The 2014 Action Plan for Jobs sets out how the Government will continue to work to build and sustain a competitive economy that can pay its own way, serve our society, and that can survive and thrive in a reformed Euro zone and an increasingly globalised international economy.

In our National Reform Programme, we set out the broad macroeconomic context – comprehensively elaborated in our Stability Programme Update – and outline implementation of some of the key policy reforms underway following our programme exit. The NRP also provides an update on our progress under the Europe 2020 Strategy, and sets out the alignment of our use of ESI funds with our NRP objectives.

This will be achieved within a prudent and sustainable macroeconomic and fiscal framework, and the Government remains committed to the achievement of its fiscal goals and its medium term budgetary objective.

The Partnership Agreement is a strategic document. The priorities for investment, which will be implemented in the operational programmes, have been selected based on the Europe 2020 Strategy, our NRP, MTES, needs analyses, ex-ante evaluations and public consultation processes. The focus will be on promoting jobs and growth and the ESI funding will complement national investments in line with national and EU priorities.
SECTION 1A  Arrangements to ensure alignment with the Union strategy of smart, sustainable and inclusive growth as well as the fund specific missions pursuant to their treaty-based objectives, including economic, social and territorial cohesion

1.1  An analysis of disparities, development needs and growth potentials with reference to the thematic objectives and the territorial challenges and taking account of the National Reform Programme, relevant country-specific recommendations adopted in accordance with Article 148(4) TFEU

Ireland’s Partnership Agreement is informed by a number of policy instruments at European and National level. At European level the main instruments are the EU’s 10 year growth strategy (EU2020), the Cohesion Policy Legislative Package, the Common Strategic Framework (CSF), the European Semester, the Annual Growth Survey and Country Specific Recommendations. At National level, Ireland’s National Reform Programme identifies the National Strategies in place to allow us to contribute to meeting the five headline targets from the EU 2020 Strategy.

Figure 1  National and European Instruments informing the Partnership Agreement
Europe 2020

Europe 2020 is the European Union’s ten-year growth strategy. It is about addressing the shortcomings of the growth model in the EU and creating the conditions for a different type of growth that is smarter, more sustainable and more inclusive.

The Europe 2020 Strategy has been adopted as a successor to the Lisbon Strategy for Jobs and Growth and aims to enable Europe to emerge stronger from the current economic crisis and to turn the European Union into a smart, sustainable and inclusive economy.

Five key targets have been set for the EU to achieve by the end of the decade. These cover employment; education; research and innovation; social inclusion and poverty reduction; and climate/energy.

The strategy also includes seven ‘flagship initiatives’ providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting the Europe 2020 priorities such as innovation, the digital economy, employment, youth, industrial policy, poverty, and resource efficiency.

Europe 2020 can only be a success if it is the subject of a determined and focused effort at both the EU and national levels. That is why the delivery of Europe 2020 relies heavily on the new governance structures and processes that the EU has been putting in place since 2010. At the heart of these is the European Semester, a yearly cycle of economic policy coordination involving EU level policy guidance by the European Commission and Council, reform commitments by the Member States and country-specific recommendations prepared by the Commission and endorsed at the highest level by national leaders in the European Council.

EU Cohesion Legislative Package

The EU Cohesion Legislative package sets out the legal basis for the European Structural and Investment Funds and consists of:

- An overarching regulation (Common Provisions Regulation) setting out common rules governing the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). This allows for the better combination of funds for a stronger impact of EU action.
  - Three specific regulations for the ERDF, ESF and Cohesion Fund.
- Two regulations dealing with the
  - European territorial cooperation (ETC) goal and
  - European grouping of territorial cooperation (EGTC).

The draft regulations were prepared by the Commission in October 2011 and following lengthy negotiations between the European Parliament and Council were published in the OJEU on 20th December 2013.
**Common Strategic Framework**
A Common Strategic Framework (CSF) has been established to maximise the contribution of the ESI Funds and to establish strategic guiding principles to facilitate the programming process at the level of Member States and the regions.

The CSF facilitates the sectoral and territorial coordination of Union intervention under the ESI Funds and with other relevant Union policies and instruments, in line with the targets and objectives of the Union strategy for smart, sustainable and inclusive growth, taking into account the key territorial challenges of the various types of territories.

The CSF sets out how the ESI Funds are to contribute to the Union strategy for smart, sustainable and inclusive growth, the arrangements to promote an integrated use of the ESI Funds, the arrangements for coordination between the ESI Funds and other relevant Union policies and instruments, horizontal principles and cross-cutting policy objectives for the implementation of the ESI Funds, the arrangements to address key territorial challenges and priority areas for cooperation activities under the ESI Funds.

**European Semester**
The "European Semester" is a cycle of economic and fiscal policy coordination within the EU. During the European Semester, Member States align their budgetary and economic policies with the objectives and rules agreed at the EU level. This way the Semester aims to ensure sound public finances; foster economic growth and prevent excessive macroeconomic imbalances in the EU.

**Annual Growth Survey 2014**
The 2014 Annual Growth Survey (AGS) published in November 2013 adopted the same priority areas as those identified in the Surveys for 2012 and 2013:

- Pursuing Growth Friendly fiscal consolidation
- Restore normal lending to the economy
- Promoting Growth and Competitiveness for today and tomorrow
- Tackling unemployment and social consequences of the crisis
- Modernising public administration

In relation to the ESI Funds the objectives relating to promoting growth and competitiveness and tackling unemployment are most pertinent.

**A Strategy for Growth – Medium Term Economic Strategy (MTES)**
To promote growth and competitiveness, the Government presented its Medium Term Economic Strategy\(^1\) in December 2013. This overarching high-level and integrated whole-of-Government framework to drive the development of appropriate sectoral and horizontal policies. The Strategy is based on three pillars:

---
• **Ensuring Debt Sustainability** - through a combination of rigorous new debt, deficit and spending rules, institutional reforms and better management of public spending, gross public debt will be brought down to safer levels. At the same time the Government will preserve the competitiveness of our tax system and efficiently deliver the public services and infrastructure needed to support a high quality of life and strong economic growth.

• **Financing Growth** - rigorous management of the public finances will support strong growth if accompanied by measures to ensure adequate flows of domestic and international finance into enterprise and investment opportunities in Ireland and to resolve legacy debt problems of households and enterprises. The Government will continue to repair and restore trust in the banking system, prioritising credit availability at competitive interest rates for productive enterprise and sustainable investment. At the same time, the Government will responsibly open up new innovative sources of non-bank finance for job creation and infrastructure development.

• **Supporting Employment and Living Standards** - in the medium to long term, growth in Ireland depends on continually improving productivity, which, in turn, depends on investment in people and boosting competition and innovation. Being part of the euro zone presents not just opportunities but domestic challenges. Barriers to growth are being identified and removed in key sectors of our economy. Sheltered sectors of the economy will be opened up to competition and investment and we will intensify efforts to enhance the capacity of Ireland’s workforce, through investment in education and training and through measures to support people to set up business or move between jobs and sectors as the economy grows.
1.1.1 Macroeconomic context and economic outlook
Economic Developments in Ireland
The Irish economy is emerging from the crisis and there are clear signs that economic recovery is underway. GDP growth in the first half of this year was well ahead of expectations at close to 6 per cent. The increase in economic activity is broadly-based with both domestic sectors and exporting sectors performing strongly.

Labour market recovery is clearly underway. Employment has increased in seven successive quarters to quarter two 2014 representing an increase of over 70,000 jobs since the low-point in mid-2012. In line with this, the standardised unemployment rate stood at 11.1 per cent in September 2014, having fallen from a peak of 15.1 per cent in early 2012. While this is still unacceptably high, it is certainly moving in the right direction.

Domestic demand has stabilised and is showing encouraging signs of growth. Consumer spending is improving as confidence returns, while firms are investing in plant and machinery once again.

Due to its relatively small domestic market, Ireland’s growth model must be export oriented. Exports are expected to gain ground in 2014 as demand in Ireland’s main export markets, particularly the UK, continues to hold up. In addition, on the basis of the latest trends, the impact of patent expiry in the pharmaceutical sector appears to have passed.

Economic Outlook
Driven by a strong export performance and a recovery in domestic demand, GDP growth of 4.7 per cent is forecast for 2014 while an increase of 3.9 per cent is expected for 2015. Over the medium term (2016-2018), GDP is forecast to grow broadly in line with potential at around 3½ per cent per annum. Employment growth is set to continue with unemployment falling to just over 8 per cent by the end of the forecast horizon.

Fiscal Position at Budget 2015
Ireland’s fiscal strategy since 2008 has been to correct the excessive deficit in line with the EDP requirements, and this deficit is on track to be corrected by 2015. Ireland’s interim targets to reach this deficit level have all been achieved, and in fact exceeded each year. Reflecting this prudent budgetary stance, the underlying general government deficit for 2014 is now likely to be of the order of 3.7 per cent of GDP and is forecast to be 2.7 per cent of GDP in 2015 – below the 3 per cent ceiling.
1.1.2 Analysis of the relevant territorial imbalances, development needs, growth potentials and bottlenecks incorporating any cross-sectoral, cross-jurisdictional coordination challenges which can be addressed by the ESI Funds

The Partnership Agreement sets out below the development needs and growth potentials which the ESI funds will be used to address in the 2014-2020 programming period. These will be addressed in the context of the EU2020 objectives and their implementation in Ireland through the National Reform Programme, and taking account of the 2014 Country Specific Recommendations (CSRs).

1.1.2.1 Ireland’s National Reform Programme and distance to National EU 2020 targets including relevant CSRs

National Reform Programme
Ireland’s National Reform Programme (NRP) identifies national targets in each of the headline areas, the main bottlenecks to reaching these targets and sets out the measures necessary to allow Ireland overcome these and achieve its national targets. The National Reform Programme complements the Stability Programme Update as part of the European Semester. Ireland will focus on the Europe 2020 objectives by implementing the strategies set out in the NRP 2014 and submitted to the EU Commission in April 2014. This document provides an update on our progress under the Europe 2020 Strategy, and sets out the alignment of our use of structural funds with our NRP objectives. The table below illustrates how Ireland’s national targets contribute to the achievement of the EU2020 headline targets.
Table 1  EU2020 Targets and Ireland’s National Targets

<table>
<thead>
<tr>
<th>Europe 2020 Headline Target</th>
<th>Ireland’s National 2020 Target in NRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>75% of the population aged 20-64 should be employed</td>
<td>69-71%</td>
</tr>
<tr>
<td>3% of expenditure on research and development</td>
<td>2% of GDP</td>
</tr>
<tr>
<td>Reduction of greenhouse gas emissions in sectors not covered by the Emission Trading System by 20% compared to 2005 levels.</td>
<td>-20% (national binding target for non-ETS sectors compared to 2005)</td>
</tr>
<tr>
<td>20% of energy from renewables</td>
<td>16%</td>
</tr>
<tr>
<td>20% increase in energy efficiency</td>
<td>20%</td>
</tr>
<tr>
<td>The share of early school leavers should be under 10%</td>
<td>8%</td>
</tr>
<tr>
<td>At least 40% of 30-34 year olds should have completed a tertiary education</td>
<td>60%</td>
</tr>
<tr>
<td>Reducing the number of people at risk of poverty or exclusion by 20 million in the EU</td>
<td>200,000 fewer people at risk of poverty between 2012 and 2020.</td>
</tr>
</tbody>
</table>

ESI Funds will make an important contribution to Ireland meeting its EU2020 commitments.

Country Specific Recommendations
On 3 June 2014, the European Council published its Country-Specific Recommendations (CSRs) on Ireland’s 2014 National Reform Programme (NRP) and recommended that Ireland take action within the period 2014-2015 on a range of measures.

The Irish Authorities’ are addressing the Europe 2020 targets, taking account of the CSRs set out above, by implementing specific actions outlined in the National Reform Programme (NRP) 2014, the latest version of which was sent to the Commission in April 2014. Specifically, CSRs relating to labour market policies and financing for SMEs are being addressed using ESI funding having regard to the regulations governing such funding, the intervention logic used to determine funding priorities under each fund and national funding available to address these issues. Further detail on how these issues will be addressed is contained in Sections 1.1.2 and 2.1.2.

In addition, elements of the recommendation relating to increasing cost effectiveness of the healthcare sector are being addressed by using ESI funding for the provision of next generation broadband to facilitate the roll out of e-health initiatives. Further information on this is outlined in Section 1.1.2.2. The relevant CSRs are set out below for information.
**CSR 3**
Pursue further improvements in active labour market policies, with a particular focus on the long-term unemployed, the low-skilled and, in line with the objectives of a youth guarantee, young people. Advance the ongoing reform of the further education and training (FET) system, employment support schemes and apprenticeship programmes. Offer more workplace training; improve and ensure the relevance of FET courses and apprenticeships with respect to labour market needs. Increase the level and quality of support services provided by the Intreo labour offices. Put in place a seamless FET referrals system between Intreo offices and Education and Training Boards.

**CSR 4**
Tackle low work intensity of households and address the poverty risk of children through tapered withdrawal of benefits and supplementary payments upon return to employment. Facilitate female labour market participation by improving access to more affordable and full-time childcare, particularly for low income families.

**CSR 5**
Advance policies for the SME sector including initiatives to address the availability of bank and non-bank financing and debt restructuring issues, while avoiding risks to public finances and financial stability. Advance initiatives to improve SME’s access to bank credit and non-bank finance. Introduce a monitoring system for SME lending in the banking sector. In parallel, work to ensure that available non-bank credit facilities, including the three SME funds co-funded by the National Pensions Reserve Fund, Microfinance Ireland and the temporary loan guarantee scheme, are better utilised. Promote the use of these and other non-bank schemes by SMEs. Enhance the Credit Review Office’s visibility and capabilities in mediating disputes between banks and prospective SME borrowers who have been refused credit.

Funding priorities have been identified for the ESI Funds, based on development needs set out below, which will support Ireland in meeting its EU2020 and national targets set out in the NRP. These initiatives will also support Ireland in addressing related issues in the CSRs set out above.

**1.1.2.2 Development Needs and Growth Potentials**
Ireland has a broad range of development needs which span ten of the eleven thematic objectives defined in the EU regulations governing use of the ESI Funds (the exception is the objective relating to institutional capacity). Development needs also emerged as a result of submissions, consultations, analyses and evaluations completed for each of the OPs. The ESI funds will be used to address the following development needs identified:

1. Employment
2. Availability of Next Generation Broadband
3. Poverty and social inclusion
4. Research and development
5. Climate change and resource efficiency
6. Education

1. **Employment**
The employment rate for women and men aged 20-64 was 66.6% in 2013, up by two and a half percentage points from 2012, showing the beginnings of an improvement in the labour market after a fall from 74% in 2007 to 71% in 2008 and 64% in 2012. The employment rate for men in 2013 was 72.5%. The female employment rate showed a more modest increase, from 59.6% in 2012 to 60.9% in 2013.

The gender gap in employment rates had reduced from 16 percentage points in 2008 to 9 percentage points in 2012, but widened slightly in 2013 as male employment began to recover relatively rapidly.

There are positive signs emerging, with employment numbers and the employment rate for 20-64 year olds increasing quarter on quarter. Between Q4 2012 and Q4 2013 the employment rate rose by 2.5% while employment numbers rose by 56,400. The employment rate for young people aged 20-24 rose from 46% in 2012 to 49% in 2013.

While the employment rate has increased in 10 of the 14 sectors, the employment recovery to date has largely been led by a relatively narrow group of sectors – agriculture, industry, accommodation and food service activities, and professional services. However, the only significant sectoral decline over the last year was recorded in the Financial, insurance and real estate activities sector (-5.6% or -5,700).

In terms of reaching the 2020 target of employment rates of 69-71%, the employment rate will have to increase by 0.6 percentage points each year. This rate of increase is feasible provided the recent recovery is maintained into the medium-term.

*Figure 2: Employment Rate by Gender, Q1 2004 to Q4 2013*

*Source: CSO*
Unemployment

The seasonally adjusted unemployment rate is currently 12.0% (January, 2014); while it has fallen from a peak of 15% in early 2012, the rate remains unacceptably high. The male seasonally adjusted unemployment rate of 13.7% compares with a female unemployment rate of 10.3%.

Figure 3: Unemployment by duration, Q1 2008 to Q4 2013

While the number who are long-term unemployed has fallen by 21% over the last two years, it is of continued concern that long-term unemployment (defined as being unemployed for a year or more) accounted for over 60% (156,000) of total unemployment at the end of 2013.

Since 2007, the peak of the employment boom in Ireland, employment has declined significantly in the majority, but not all, sectors. The most significant fall was experienced in the construction sector where the June 2013 data shows 103,000 at work compared to a 2007 figure of 274,000. Other sectors demonstrating significant job losses are industry (down over 63,000) and Wholesale and Retail (down some 30,000). The type of jobs that have been lost vary, but there was a lot of low-skilled workers involved in these sectors and programmes to re-skill and upskill these people are central to labour market activation policy for Ireland.

Long-term unemployment (defined as being unemployed for a year or more) accounted for over 60% (156,000) of total unemployment at the end of 2013. Overall, the under-25 age group had an unemployment rate of 26.7% in 2013 (35.5% for 15-19 year-olds and 24.5% for 20-24 year-olds) down from 30.4% in 2012. About 40% of the young unemployed are out of work for more than one year. There is a lower level of economic engagement of women relative to men and a large number of women of all educational backgrounds are detached from the labour market. The need to assist women to return to the labour market is a central challenge for the next programming period and is recognised as such in the 2014 CSRs.

Skills Shortages and Future Skills Needs

The economic recession has significantly increased unemployment levels and has put many low-skilled people out of work. The level of employment growth now being experienced has
bypassed many low skilled and young people entering the labour market with no work experience or the wrong skills profile.

Official statistics (CSO Quarterly National Household Survey Educational Attainment Thematic Report 2011, Table 2 below) show that those with at best primary education have an unemployment rate of 24% (aged 25-64) and those with tertiary education had an unemployment rate of only 7%. The overall rate for all aged 25-64 was only 13% by comparison.

Table 2 Unemployment rate classified by highest level of education attained and age group, April-June 2010 and 2011 (%)

<table>
<thead>
<tr>
<th>Highest education level attained</th>
<th>NFQ Level</th>
<th>April - June 2010</th>
<th>April - June 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All</td>
<td>25-34 35-44 45-64 25-64</td>
<td>All</td>
</tr>
<tr>
<td>Primary or below</td>
<td>None/1/2</td>
<td>43 26 15 20</td>
<td>55 33 17 24</td>
</tr>
<tr>
<td>Lower secondary</td>
<td>3</td>
<td>34 20 14 20</td>
<td>38 23 13 21</td>
</tr>
<tr>
<td>Higher secondary</td>
<td>4/5</td>
<td>18 13 7 12</td>
<td>19 13 9 14</td>
</tr>
<tr>
<td>Post leaving cert</td>
<td>4/5/6</td>
<td>21 13 13 16</td>
<td>24 17 13 18</td>
</tr>
<tr>
<td>Third Level, of which:</td>
<td>6/7/8/9/10</td>
<td>8 7 5 7</td>
<td>8 6 5 7</td>
</tr>
<tr>
<td>Higher certificate or equivalent</td>
<td>6</td>
<td>14 10 8 11</td>
<td>17 9 10 12</td>
</tr>
<tr>
<td>Ordinary degree or equivalent</td>
<td>7</td>
<td>8 9 5 7</td>
<td>9 7 6 7</td>
</tr>
<tr>
<td>Honours bachelor degree or equivalent</td>
<td>8</td>
<td>7 6 5 6</td>
<td>7 6 4 6</td>
</tr>
<tr>
<td>Postgraduate qualification</td>
<td>9/10</td>
<td>6 5 3 5</td>
<td>6 4 3 5</td>
</tr>
<tr>
<td>Total aged 25-64</td>
<td></td>
<td>15 12 10 12</td>
<td>16 12 10 13</td>
</tr>
</tbody>
</table>

For early school leavers aged 15-24, the unemployment rate in 2011 was 37%, whereas the rate for other 18-24 year olds was only 15%. These statistics clearly show that there are poor outcomes for those with low skills and education in Ireland compared to the general population. The OECD paper on the Irish Youth Guarantee states that, in 2013, the unemployment rate for young people with below higher secondary education was 44%.

The latest Skills Bulletin from the Expert Group on Future Skills Needs from July 2013 indicates shortages in a number of areas across the economy. Demand for biopharma and pharmachem scientists, professional and technical precision engineers, ICT software developers, project managers and security experts, business and finance professionals, some healthcare professionals and specialist sales and customer service staff in online and contact centre sectors remains strong and presents opportunities for people with relevant and appropriate skills. Meeting the profiled shortages through relevant education and training opportunities for those in the education system and for those unemployed persons on labour market activation measures will be necessary to maintain employment growth, investment and confidence. The Expert Group will continuously advise on which skills are required by the economy and this will be reflected in the development of new training and upskilling programmes.
There is a need for an effective ladder of opportunity for trained young people to enter into and progress in farming and which will result in an improved age profile of farmers.

Initiatives that focus on work experience such as JobBridge and TÚS are providing more labour market relevant job opportunities for the unemployed and this is expected to continue in the coming years.

In addition, more targeted access to further education and training programmes and more labour market activation offerings in the FET and higher education space are also serving to enhance the prospects for the unemployed, especially those on the Live Register, in terms of upskilling, re-skilling and getting back to work.

The continued improvement of the FET sector structure and provision should contribute further to transitions to work for the unemployed in coming years. In terms of targets for reducing youth unemployment, the Pathways to Work initiative has specific targets for increasing the number of people who are long-term unemployed moving into employment and reducing the average length of time spent on the Live Register; as two out of five young unemployed are long-term unemployed, these targets are pertinent to young people.

The ESF has a significant role to play in supporting and enhancing the delivery of measures to support this NRP target. Substantial enhancements to the public employment services are being implemented through the rollout of the Intreo system. This is a significant strategy project and is being funded solely from national Exchequer resources at this time.

This Thematic Objective is central to Ireland’s social and economic development in the coming years. Providing access to employment through improving the skills levels and work experience of the workforce is an essential element of Government policy.

The integration of young people, particularly those Not in Education, Employment or Training (NEET), into the labour market is also a priority for Ireland. Policies and programmes to provide opportunities for the long term unemployed and our young people are being developed and implemented and the support of the ESF is an essential piece of this strategy. The ESF Programme in Ireland will contain specific Youth Employment Initiative measures.

The consultation processes and Needs Analyses also identified the need for supports to develop professional training, new professional skills and lifelong learning, particularly within the seafood sector. A further need was also identified for supports to promote economic growth, social inclusion and job creation, and providing support to employability and labour mobility in coastal/marine areas which depend on fishing and aquaculture.

**Youth Unemployment**

Overall, the under-25 age group had an unemployment rate of 26.7% in 2013 (35.5% for 15-19 year-olds and 24.5% for 20-24 year-olds) down from 30.4% in 2012. This compares to an
unemployment rate of 12% for prime age workers (ages 25–54). About 40% of the young unemployed are out of work for more than one year.

Despite the high rate of youth unemployment, the absolute number of young unemployed people has fallen – from close to 80,000 on average in 2009 to 57,000 on average in 2013. The most recent figures show youth unemployment down by 10,000 year-on-year to 49,000 in Q4 2013.

While some of the fall in the number of young unemployed has been due to the improvement in the labour market it has also partly been a result of demographic developments arising from birth trends in the 1980s and 1990s, the tendency for some young people to stay longer in education rather than seeking work in a depressed market and the impact of emigration. As a result of this fall, young people now represent 20% of all the unemployed, down from a share of 35% in mid-2008.

Based on current trends and projections, the youth unemployment rate could fall to circa 20% by 2015.

**Twin Strategies**

The main issues giving rise to unemployment continue to be the depressed level of aggregate demand in Ireland and weak growth among key trading partners. However, much progress has been made since 2011. The Government is continuing to support employment growth and to tackle unemployment through the twin strategies of the Action Plan for Jobs and Pathways to Work.

a) **Action Plan for Jobs**


Key themes in the 2014 Action Plan include:

- Competitiveness (costs, infrastructure, R&D, skills and regions)
- Entrepreneurship
- Supporting the Domestic Economy
- Communicating the available supports more effectively to business.

The 2014 Plan also continues to focus on areas included in the 2012 and 2013 Action Plans, such as access to finance, growing Irish enterprises, developing and deepening FDI and sectoral opportunities.

**Sectoral focus**

As was the case in previous years, the 2014 Action Plan for Jobs places a focus on developing sectors with potential for jobs growth. Having regard to the identification in the EU 2012 Employment Package of ICT, the green economy, and health services as the sectors with the most job potential for the future, the 2014 APJ focuses in particular on Ireland’s competitive advantage in Agri-food, International Financial Services and the Green Economy which have strong export potential. It also places an emphasis on supporting sectors in the domestic economy such as Retail, Construction and Tourism which need to re-build following the economic crisis.

Developing opportunities for enterprise job creation in the health sector is also captured in a Disruptive Reform, commenced in 2013, on the establishment of a National Health Innovation Hub, which will drive collaboration between the health system and enterprises to develop and commercialise new healthcare technologies, products and services.

The Department of Education and Skills and the Department of Jobs Enterprise and Innovation jointly led the process to develop a new ICT Action Plan which was launched in March. The new plan replaced the 2012 ICT Action Plan, which was launched as collaboration between Government, industry and the education system.

b) Pathways to Work
The *Pathways to Work* strategy, which was launched in February 2012, introduced a new integrated employment and support service involving the transformation of local social welfare offices into a ‘one-stop-shop’ (called *Intreo*) allowing jobseekers to access their entitlements and get help with planning their return to work.

In 2013 a renewed focus was given to targeting activation places to the long-term unemployed and the planned extension of the activation process to the significant numbers of long-term unemployed. Although the transformation of the existing service infrastructure to deliver this type of approach is a major undertaking, the progress made in 2013 is highlighted below:

*Intreo*

The establishment of a locally delivered, fully integrated single ‘one stop shop’ public employment and benefits service in the framework of Pathways to Work has been progressed through the on-going conversion of former local offices and Employment Services offices to the new INTREO operating model. This entails a physically co-located service with a single reception providing information and access to all jobseeker services – income support, including Community Welfare, and Employment Services.

*Recruitment, Work Placement and Training Provision for the Long-term unemployed*

The Pathways to Work strategy has been devised to maximise the number of new job opportunities available to the long-term unemployed on the Live Register. The main initiatives in this regard are:

i. *JobsPlus*
The JobsPlus recruitment subsidy, launched in the second half of 2013 as a commitment under the Action Plan for Jobs, is designed specifically for the long-term unemployed. This incentive scheme encourages employers to recruit long-term unemployed people. The incentive is payable monthly in arrears, over a 2-year period.

\[ \text{ii. Start Your Own Business} \]
This Budget 2014 initiative provides for relief from Income Tax for long term unemployed individuals who start a new business. The scheme provides an exemption from Income Tax (up to a maximum of €40,000 per annum) for a period of two years to individuals who set up a qualifying business, having been unemployed for a period of at least 12 months prior to starting their business.

\[ \text{iii. Gateway} \]
Gateway, a local authority labour activation scheme launched in the second half of 2013, that provides short-term work and training opportunities for long-term unemployed people who have been on the Live Register for over 2 years. There will also be 3,000 places available on Gateway in 2014.

\[ \text{iv. Temporary Employment} \]
DSP also manages a number of schemes providing temporary employment for the long-term unemployed on works and services of value to the community. There were almost 31,000 people participating on Community Employment and Tús in December 2013. The Pathways to Work Target for 2013 was to move 20,000 people from long-term unemployment into employment. That target was exceeded – with 26,611 moving into employment. A more ambitious target of 22,500 has been set for 2014.

\[ \text{JobPath} \]
To further support these existing measures, JobPath is the Government’s new labour market activation service aimed specifically at the long-term unemployed and those most at risk of becoming long-term unemployed. JobPath will be delivered by private/third party providers of employment services under contract to DSP. JobPath will augment and complement the Department’s existing employment service capacity as well as that of the Local Employment Service (LES) and Job Clubs, which already operate under contract to DSP, thereby increasing capacity to provide supports to assist jobseekers in obtaining employment.

In December 2013, DSP published a contract notice inviting tenders for the provision of JobPath services. Taking account of the time required for the tender evaluation process and the establishment of operations it is expected that JobPath should be fully operational towards the end of 2014.

\[ \text{Employer Engagement} \]
Developing closer links with employers and supporting them in generating job opportunities is a key objective of the Pathways to Work programme.
As part of the process of engaging with employers, a number of activities have been undertaken to raise awareness of the supports and services available from DSP, including briefings, job fairs, employer-focused materials and direct engagement with employers at national and regional level. A further series of employer briefings are taking place from February to April 2014. These events will provide employers with information on the range of services and supports available to assist them with their employment needs.

**Tackling Youth Unemployment**

In 2013, agreement was reached on the Recommendation on an EU-wide Youth Guarantee. Ireland published its Youth Guarantee Implementation Plan in January 2014.

The Plan identifies measures to build on services and initiatives already in place and to increase their impact by tailoring them to address the particular challenges of youth unemployment. Given the fiscal constraints facing Ireland, a gradual implementation approach is being adopted.

As a result the Youth Guarantee will be delivered on a phased but continually widening basis. The approach is to prioritise the support of individuals most at risk of long-term unemployment first before dealing with lower risk groups. Elements of this initiative are already being piloted in the Dublin suburb of Ballymun, an area with a particularly high rate of unemployment.

In summary the national Youth Guarantee will involve:

- Developing the Intreo activation process to ensure earlier and more intensive engagement with young people.
- Delivering opportunities for young people through education and training programmes.
- Earmarking a quota of places/opportunities on employment schemes for young people.
- Varying the eligibility conditions for access to these schemes by young people. (e.g., so that young people can access places/opportunities after 4 to 6 months of unemployment rather than the general requirement of 12 months’ unemployment).
- Expanding the number of opportunities currently availed of by young people in the form of internships, subsidised private-sector recruitment, and supports for self-employment.
- Introducing new options for young unemployed people in particular in the area of youth entrepreneurship and international work experience and training.

A particular focus of the education sector’s contribution to the Youth Guarantee will be on support for early school leavers and to better align the content of education and training schemes so that they provide skills required in the expanding sectors through the following programmes:

- Community Training Centres – to provide a range of learner centred, proactive training and related services
- Youthreach – to provide integrated education, training and work experience for unemployed early school leavers
- Education/Training measures to address supply bottlenecks – to provide the skills required for the expanding sectors
- Establishment of Education and Training Boards – to deliver further education programmes relevant to the labour market and activation of the unemployed
- Establishment of SOLAS to develop, fund and oversee an integrated further education and training sector
- Review of the Irish Apprenticeship System – to determine if the existing system should be retained, adapted or replaced
- Skillnets – to facilitate work-based training and upskilling.

Ireland has also developed a number of other national strategies that support it meeting its employment objectives laid down in the National Reform Programme and in addressing its CSR relating to the labour market as part of the European Semester process. The EU Structural and Investment Funds allocated to Ireland will complement National investments and contribute to meeting these targets and addressing the relevant CSRs. The key National Strategies are outlined below:

**National Skills Strategy**
Progress achieved towards the targets set out in the National Skills Strategy³ has continued. There has been a continuous improvement in the educational composition of the labour force: over the period quarter 4 2006 – quarter 4 2012, the share of third level graduates increased by nine percentage points to 43%, compared to the 2020 target of 48%; the share of those holding at most a Junior Certificate (or equivalent) dropped to be low 17%, compared to a target of 7% for 2020.

The Expert Group on Future Skills Needs monitors progress on the NSS targets and they now provide direct input to the design of most labour market activation programmes, particularly the most recent initiatives such as the Labour Market Activation Fund 2010, the Labour Market Education and Training Fund (Momentum), Springboard and the ICT Skills Conversion courses. This input ensures that the programmes offered are targeted at the sectors in which jobs are available and emerging sectors, including green jobs, ICT and biotech.

**Food Harvest 2020 – A Vision for Irish agri-food and fisheries**
The agri-food and seafood sector are important indigenous industries and are recognised as key drivers in economic recovery. The future vision and strategy for the sector is encapsulated in Food Harvest 2020 (FH2020)⁴ which uses the ‘Smart’, ‘Green’, ‘Growth’ themes to achieve ambitious and challenging targets by 2020. These smart, green, growth targets are being

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³ [http://www.skillsstrategy.ie/](http://www.skillsstrategy.ie/)
pursued collaboratively by the Ministerial-led High Level Implementation Committee which coordinates and energises the state led response. Many of the themes central to FH2020 are coherent with the themes emerging from the wide ranging preparatory analyses underlying the development of Ireland’s RDP as well as with the objectives and priorities as set out in the Rural Development Regulation. For example, greater competitiveness in the sector, increased levels of innovation, coherence with environmental goals and challenges, regional development and security and growth in employment are common themes which reflect some of the shared policy goals which will underpin both national and European investment. Further detail on the implementation of the Rural Development Programme is set out in the OP itself.

**Equality and Equal Opportunities**

The National Women’s Strategy 2007 – 2016 has as one of its key objectives “equalising economic opportunity for women and men” and specifically encourages Government Departments to undertake actions to increase women’s labour market participation. Under the Human Capital Investment Operational Programme 2007 – 2013, funding was allocated for the Equality for Women Measure (EWM) which was designed to foster gender equality with a particular focus on women’s engagement in the labour market and their engagement as entrepreneurs. The economic downturn limited the scope of the Measure and its principal activities were targeted at actions to increase women’s employability with a particular focus on women from disadvantaged communities.

At present, unemployed women and women who are on thelive register can avail of a wide range of retraining and upskilling opportunities to enable them to resume work. The need to maximise the economic engagement of women to achieve the goals of Europe 2020 has been clearly established, as has the large number of women of all educational backgrounds who are detached from the labour market. The need to assist women to return to the labour market is a central challenge for the next programming period and is recognised as such in the 2014 CSRs.

Member States are required to meet the horizontal equality and anti-discrimination objectives contained in the ESF Regulation across the nine equality grounds in Irish legislation. Member States are expected to balance robust horizontal mainstreaming with specific actions to promote gender equality and prevent discrimination on other equality grounds. The ESF in Ireland has co-funded gender mainstreaming activities for some time now.

The measures to date have been provided by the Equality Authority, which has identified further needs in the area of promotion of equal opportunities requirements for employers and for social partners that are well suited to the objectives of the ESF. Their work in these areas will continue to enhance the awareness of opportunities for those facing barriers to participation or discrimination in their attempts to enter the workforce.

**Non-discrimination and accessibility**
Labour activation is an issue for people with disabilities as they experience a high rate of joblessness. The 2011 Census showed employment rates for people with disabilities aged 20-64 were 33% as against 66% for non-disabled people. In addition, the proportion of people in Ireland of working age who give their employment status as 'ill/disabled' has grown by about 50% since 1996. The National Disability Authority has been asked by Government to develop a ten-year employment strategy for people with disabilities, working in partnership with the key Government Departments and agencies, and this is expected to be finalised in the first half of 2014.

The measures contained in the Employment Strategy to prevent and address joblessness among people with disabilities will be considered in the context of the needs identified in the Needs Analyses and funding priorities identified to combat unemployment and exclusion.

**Investment in SMEs**

The Irish economy is dominated by small and medium-sized enterprises and has proportionally fewer micro-firms than the EU, on average (88 %; EU average: 92 %). SMEs in Ireland account for a significant share of private sector employment (70 %; EU average: 67 %). Their share of value added (48 %) was lower than the EU (58 %).

The economy has not yet recovered fully from the 2008/2009 crisis, but since 2011 there have been positive signs of growth. SMEs’ high dependence on domestic demand has made them very vulnerable, and in 2008-13 they underperformed large enterprises. Thus, in 2008 and 2009, SME’s value added dropped by 12% and 13% respectively, followed by a recovery of 10% from 2010 to 2013. By contrast, large firms’ value added contracted by only 2 % between 2008 and 2009, and grew by 4 % in 2009 and 10 % from 2010 to 2013. Given this background, the overall economic situation for Irish SMEs in 2013 is one of continued fragility accompanied by relatively modest growth and performance.

Ireland has a very positive SBA profile, with all but one SBA principle scoring above the average. It offers a friendly business environment, supported by an efficient administration, responsive to the needs of businesses, and an innovative and entrepreneurial business culture.
Figure 4  Status of SMEs in Ireland relative to EU average

<table>
<thead>
<tr>
<th></th>
<th>Number of enterprises</th>
<th>Number of employees</th>
<th>Value added</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ireland</td>
<td>EU-28</td>
<td>Ireland</td>
</tr>
<tr>
<td>Micro</td>
<td>128 363</td>
<td>88.6%</td>
<td>92.4%</td>
</tr>
<tr>
<td>Small</td>
<td>13 585</td>
<td>9.4%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Medium-sized</td>
<td>2 416</td>
<td>1.7%</td>
<td>1.0%</td>
</tr>
<tr>
<td>SMEs</td>
<td>144 788</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Large</td>
<td>424</td>
<td>0.3%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total</td>
<td>144 788</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

These are estimates for 2013 produced by DIW Econ, based on 2008-11 figures from the Structural Business Statistics Database (Eurostat). The data cover the ‘business economy’, which includes industry, construction, trade, and services (NACE Rev. 2 sections B to J, L, M and N), but not enterprises in agriculture, forestry and fisheries and the largely non-market service sectors such as education and health. The advantage of using Eurostat data is that the statistics are harmonised and comparable across countries. The disadvantage is that for some countries the data may be different from those published by national authorities.

Source: 2014 SBA Factsheet Ireland

Figure 5  Employment in SMEs

Employment in SMEs
(Index: 2008=100, estimates from 2012 onwards)

Investment in SMEs presents synergies with a range of thematic objectives to drive the Irish economy and impact upon employment and welfare levels. Investment in initiatives focused upon enhancing the competitiveness of SMEs can act as a key programming tool to meet the needs of both regions.
Ireland has a strong track record in SME formation and there is a clear justification to continue to build upon the successful track record of the City and County Enterprise Boards, albeit via a new institutional arrangement as part of the Local Enterprise Offices within local government. There is also a clear rationale to support entrepreneurship initiatives for emerging technology-based start-ups through initiatives such as the New Frontiers Programme, leveraging the resources of the Institutes of Technology Incubation Centres.

The number of enterprise births has fallen over the period 2006 to 2011. In 2006 there were nearly 16,700 enterprise births but by 2011 this figure had fallen to just over 11,800. However in 2011 there were signs of improvement as the births figure had increased by almost 600 enterprises compared to the previous year. The number of enterprise deaths rose steadily between 2006 and 2009 as the economy underwent a major contraction. There was evidence of an improvement in the business environment in 2010 with a significant fall in the number of enterprise deaths compared to 2009.

In 2006 enterprise births exceeded deaths by just under 4,800. However by 2007 the situation had reversed and by 2009 enterprise deaths exceeded births by 10,700. In 2010, enterprise deaths continued to exceed births but the gap had reduced to just over 7,100 – see figure 6 below. Additional analysis is available in Business in Ireland 2011\textsuperscript{5} published by the CSO.

Figure 6 \hspace{1cm} Number of births and deaths of enterprises 2006 to 2011

Difficulties remain for SMEs and start-ups to access finance as a result of the prevailing economic and banking climate. Only 52.2% of SME loans are approved (Needs Analysis). There has been a decline in the number of economically active SMEs, with enterprise deaths exceeding enterprise births in recent years (Needs Analysis). Total early-stage entrepreneurial activity rate is 4.8% in Ireland compared with an EU rate of 7.2%. The rate is 9.5% for males and 3.9% for females (GEM; Needs Analysis).

Weak domestic and consumer demand, has left many firms and employees vulnerable - over 56% of private sector workers employed by non-exporting indigenous firms (Needs Analysis). A significant reduction in employment has been experienced in the micro-enterprise sector between 2008 and 2011. Micro enterprises are an important facet of the Government’s Action Plan for Jobs.

Other evidence
The outcome of the EAFRD public consultations and the SWOT analyses demonstrated a broad need for improving competitiveness and farm viability through, for example, the provision of support for on-farm investments. A crucial area identified for targeted on farm investments is the dairy industry, which is expected to expand in the post quota era; another area is the need for enhanced storage of farm organic nutrients such as soiled water facilities, soiled manure storage on poultry farms and potential slurry storage.

The need for an effective ladder of opportunity for trained young people to enter into and progress in farming and which will result in an improved age profile of farmers has also been clearly demonstrated in the public consultation process and in the SWOT analysis.

The outcome of the public consultation processes and the SWOT analyses also demonstrated a broad need for support for the organisation of artisan and small scale food production particularly added value production, participation in quality schemes including continuing emphasis on animal welfare and the strengthening of the producers’ position in the market including cooperation and collaboration.

Significant challenges are still present in the fisheries sector in achieving economic and environmental sustainability. Overall, the aquaculture sector has not achieved its potential in Ireland and there remains great potential for the seafood processing industry to grow, as only circa 20% of fish caught in Irish waters are landed into Irish ports.

The seafood sector is a vital indigenous industry which makes a significant contribution to the national economy in terms of output, employment and exports. Generating over 11,000 jobs in coastal regions, the industry contributes circa €845 million to the national economy annually. Aquaculture and seafood processing SMEs have a significant potential for sustainable job creation, especially in coastal regions, if the challenges of raw material supply, scaling-up, value adding, skills development and environmental sustainability can be tackled with the support of the ESI funds.

With a relatively under-exploited natural resource (except the fish stocks) Ireland’s marine sector has a positive future if the right steps are taken to develop this resource. Like the rest of the national SMART economy agenda, key to achieving this potential will be a transition to a knowledge-based high-value added sector. The drive towards a knowledge-based high-value added economy will allow the Irish ocean economy to increase productivity and competitiveness across both established and emerging sectors.
Under the potential opportunities for Blue Growth, the development of Ireland’s offshore renewable energy potential requires coordination across a range of policy areas encompassing not just energy itself, but the environment, infrastructure development, job creation and economic growth, both at national and regional level with the Atlantic partners (see the relevant “Study On Deepening Understanding Of Potential Blue Growth In The EU Member States On Europe’s Atlantic Arc”).

In Ireland, shipping, water-based tourism and leisure and seafood are the most important categories of economic activity in coastal/marine areas. Sea-based transport accounts for over 99% of the total volume and approximately 95% of the value of goods traded by the Irish economy. As an island nation, underpinning this trade performance, particularly in the primary and manufacturing sectors is a vibrant maritime transport sector. Thus renewed growth in the shipping and maritime transport sector will depend to large extent on improvements in the global market.

Rapid improvements in Ireland’s cost competitiveness over the past two years have led to an improved outlook for tourism activity, which suffered substantially during the deep recession. Water-based tourism sectors are in a good position to benefit from this improved outlook, but need to continuously monitor costs to maintain competitiveness and to ensure that product offerings continue to meet the needs of changing tourist demand.

High tech marine products and services, marine biotechnology, bio-products and marine renewable energy all recorded a large increase in turnover and employment. Trends are in line with other productive sectors and reflect the impact of the global downturn, representing the period at the lowest point of the economic contraction. However, recent data reported highlights a positive outlook across a number of sectors, for example seafood, tourism, and shipping sectors all showing positive signs of recovery and growth.

The Gateway and Hubs Development Index, which measured the performance of both Gateways and Hubs across a range of economic, social and environmental metrics based on data to end December 2012, demonstrated increasing skill levels of the workforce in urban areas. This is reflected in the increase in third-level-qualified workers within the urban areas. It is interesting to note that the variation in this change is significantly less than that relating to population with most rates lying between 6% and 9%. This suggests the emergence of a more skilled workforce but may also reflect in part losses from the construction industry.

From a sustainable development point of view this suggests that the Gateways and Hubs are well placed to engage in the knowledge economy from where much of the employment of the future is likely to emerge. It does also mean, however, that there is a danger of a social divide emerging based on educational attainment and consequent opportunities for employment.

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2. **Availability of Next Generation Broadband**

Investment in ICT is one of the four thematic objectives prioritised for investment in the ERDF Regulation. The thematic flyer\(^7\) produced by the EU Commission sets out the reasons for investment in ICT as

- Web-connected companies achieve higher revenue growth and create more jobs than their offline competitors.
- Effective use of ICT increases workplace productivity, and therefore competitiveness.
- Improving access to quality ICT, especially in remote areas, can increase the quality of life of individuals by facilitating access to services, such as e-health.

The policy context of Europe 2020 and the Irish Government policy set ambitious targets for the provision of high-speed next generation broadband and this is therefore justified for inclusion.

The findings of the Needs Analyses and consultation exercises, both in terms of the identified trends and deficits in high speed broadband availability, strongly supports this and recognises the role Next Generation Broadband (NGB) plays in ensuring strong and competitive regions.

The development of the telecommunications infrastructure was also highlighted in a number of the submissions received under the public consultation processes held by the Regional Assemblies on the preparation of the Regional Programmes 2014-2020. Broadband infrastructure investment forms a key element of the current Regional OPs and has been successfully implemented, with positive outcomes, as affirmed by the programme evaluations. The benefits accruing from NGB investment permeate all aspects of the economy and society. Investment has the potential to impact positively on the environment and to promote and support the principles of equality and accessibility. Such investment also offers important synergies with other proposed investment priorities and other CSF funds in Ireland for the 2014-2020 period.

From a regional and rural perspective, there are extensive areas in both regions that will require publicly funded investment in order to ensure that they will be provided with high-speed next generation broadband infrastructure, if both the national and EU targets are to be achieved, the Country Specific Recommendations are to be implemented and the existing digital divide not be made worse.

In order to meet national targets in respect of high speed broadband availability and to contribute to the EU Digital Agenda objectives the Member State (MS) devised a National Broadband Plan (NBP).

The MS acknowledges that the market will not respond to the needs in areas outside the main urban centres and peripheral areas and therefore plans a publicly funded intervention to ensure that the digital divide is not exacerbated.

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Broadband infrastructure and Next Generation Access is also fundamental to Ireland’s competitiveness. As a knowledge and services oriented economy trading worldwide, the workforce needs to be better connected than most. Ensuring fast connectivity is key to ensuring regional development, economic growth, competitiveness and jobs. The proposed state led intervention is focused on those areas where it is evident that the commercial sector will not deliver.

The Irish development agencies (Enterprise Ireland, IDA Ireland and Forfás) believe that the widespread availability of advanced broadband infrastructure and services is essential to realising future growth potential in existing and emerging sectors.

It will also play a key role in supporting the growth of small business, capturing opportunities for productivity and innovation, supporting regional development, enabling greater public sector efficiency and marketing Ireland as a location for ICT-intensive FDI and R&D projects. In addition, it will signal to the international community that our commitment to the knowledge economy is a reality.

Broadband services are wholly inadequate in many parts of the country, particularly in the BMW region and the more peripheral areas outside the main urban centres in the S&E region due to low population density and a lower rate of investment by the private sector in many areas of economic activity.

The ERDF Section of the Needs Analysis found that:

1. Ireland performs poorly compared with the OECD average in terms of fixed broadband penetration. Fibre accounts for only 0.5% of connections compared with 9.6% for the OECD.

2. There is a high reliance on mobile broadband with consequential limited speed and capacity. 47% of broadband subscriptions in 2011 were mobile subscriptions compared with the OECD average of 41.6%.

3. Poor connection speeds are experienced especially outside of the main urban centres.

The ERDF Section of the Needs Analysis recognised that the prioritisation of investment in ICT infrastructure will:

- Contribute to the EU Digital Agenda objectives;
- Help meet national targets in respect of Broadband infrastructure and Next Generation Access availability;
- Address identified gaps in high speed broadband availability in non-urban areas; and
- Provide a key enabling infrastructure for research and development, enterprise start-up and growth and e-government services especially in critical areas of e-health and education.

Investment in broadband infrastructure and Next Generation Access has critical advantages in the following areas:

1. Regional Development
2. Competitiveness
3. Jobs
4. Continued Attraction of Foreign Direct Investment
5. Healthcare Reform
6. Transport
7. Education and e-Learning
8. Citizens, Consumers and Government

Further information on these is set out below.

1. **Regional Development** – Deployment of Broadband infrastructure and Next Generation Access helps to resolve many of the key issues associated with remote regions thereby enhancing the local productivity capacity of local economies.

Broadband is a key investment strategy in addressing regional imbalances between Member States and in regions within Member States.

*Addressing regional imbalances between Member States*

Ireland lags behind the EU and OECD average with regard to total fixed broadband take-up (excluding mobile). The chart below shows Ireland has a relatively low level of Next Generation Access coverage when compared to other Member States, particularly in areas outside of the main urban centres where coverage is less than 10%.
Only 14.2% of total subscriptions (including mobile) to broadband services are at or above 10 Mbps. This compares with an EU average of 38.9%. Moreover, the chart below shows that despite the low level of NGA coverage, Ireland has a level of high-speed broadband take-up above the EU average.

In order to further enhance the levels of take up of NGA, the National broadband Plan (NBP) recommends the consideration by the State of targets for the take up of broadband services by various segments of society, including SMEs and citizens generally, and consider concrete measures to incentivise these groups to engage.
Figure 8  NGA coverage and high speed (at least 30 Mbps) broadband take-up (subscriptions as a % of population), January 2014

![chart showing NGA coverage and high speed broadband take-up](image)

Source: Communications Committee

Source EU Commission Digital Agenda Scoreboard 2014

To further compound the issue of poor download and upload speeds, the chart below also demonstrates that Ireland suffers from a significant deterioration (50%) in actual broadband speeds experienced when compared with broadband speeds advertised.

Figure 9  Actual Download Speed of xDSL technology as a Percentage of Advertised Speed, peak hours, October 2013

![chart showing actual download speed](image)

Source: Samknows

Source EU Commission Digital Agenda Scoreboard 2014
Addressing regional imbalances between regions within Ireland

Figure 10 below showing broadband penetration in Ireland demonstrates that there are extensive areas in both regions that will require publicly funded investment in order to ensure that they will be provided with high-speed next generation broadband infrastructure.

Figure 10  Ireland’s Percentage of Households with Broadband Connections 2011

It is clear from Figure 10 that areas with the lowest population density have the lowest levels of household broadband connections and that further investment, particularly in areas outside of the main urban centres is required. This investment is essential if both the national and EU targets are to be achieved, and the existing digital divide between urban and areas of the country is not to be compounded.

Delivery of next generation broadband infrastructure is similar to other infrastructure in that delivery is less commercially attractive in more sparsely populated areas. As in other countries there needs to be significant State investment to ensure delivery to areas outside the principal urban areas.
While improved broadband speeds are a national issue, it is particularly important to ensure next generation broadband for businesses outside of the main urban centres and those needing to trade online. Technology can reduce distance to market for more peripheral locations but only where quality services are available at a competitive price.

A formal national mapping exercise has commenced to determine the exact position in relation to existing and planned broadband services throughout the country. The outcome of this exercise will inform a design and procurement process for State intervention. EU State Aid approval will also be required and will be informed by the mapping exercise. The NBP considers that Government intervention could be considered necessary to provide high speed broadband services for the 15% to 30% of the population that may not be served through commercial investment. It would be important however that any State intervention would only occur in a manner compliant with applicable EU State Aid rules to avoid undermining existing or planned private sector investment.

Economic growth – In a study completed for the European Commission, the McKinsey Global Institute estimates that the Internet accounts for, on average, 3.4% of GDP and as much as 6% of GDP in advanced economies. In a number of countries, the Internet has accounted for 10% of GDP over the last 15 years and has doubled to 21% in the last five years.

2. Competitiveness – In its November 2011 report “Ireland’s Advanced Broadband Performance and Policy Priorities”, Forfás advocates the provision of advanced broadband infrastructure for all towns with a population greater than 1,500.

Forfás, Ireland’s policy advisory board for enterprise, trade, science, technology and innovation, has stated that advanced broadband services are crucial to achieve the productivity growth necessary to improve competitiveness, sustain high-level incomes and ensure Ireland captures new opportunities for entrepreneurship and jobs across all sectors.

The effective use of ICT allows SMEs to compete more vigorously in global markets, for example by reducing costs and improving the quality of services to their customer base. While large corporations tend to be concentrated in large urban centres, which are better served, SMEs tend to be more dispersed, often located in smaller urban centres that do not have access to advanced broadband services. As a result, they are constrained by the limited availability of advanced services to exploit future growth opportunities, particularly in the aforementioned data-intensive internationally traded services sectors. Approximately 70 per cent of all development agency-assisted firms are based outside Dublin city and county.

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3. **Jobs** – Small and medium enterprises (SMEs) are a significant driver of innovation and job creation in Ireland.

SMEs with a strong web presence have been shown internationally to grow twice as quickly, export twice as much and create twice as many jobs as those who have a minimal web presence. Moreover, SMEs are significant employers in rural areas and crucial to the future viability of these areas.

Next Generation Broadband is a critical resource required to support research, development and innovation activities in Ireland. The ERDF Needs Analysis highlighted that next generation broadband is a key enabling infrastructure for research and development, enterprise start-up and growth and e-government services. Moreover, Ireland’s National Broadband Plan highlighted maximising the use of non-harmonised bands to facilitate research, development, innovation and commercialisation by Irish based companies as being most important in terms of enabling investment.

Next Generation Broadband is a key enabling infrastructure which will be used to address unemployment in Ireland.

The Digital Agenda Toolbox\(^{12}\) produced by the EU Commission in 2014 is a flagship initiative to support Europe in meeting its EU 2020 Employment and Research and Innovation targets.

The document sets out the reasons why ICT is a key enabling infrastructure. By 2020, Europe will see the emergence of a new generation of services and technologies in areas such as cloud computing, Internet of things (machine-to-machine communication), smart cities, smart grids, e-Health applications, e-Government, high-definition and interactive audio-visual services, etc. All these services will require high-speed connectivity, for the processing power of “big data” and storage capacity will increasingly be “in the net”.

Broadband infrastructure and Next Generation Access is critical in the implementation of Ireland’s Country Specific Recommendations and ensuring Ireland meets its EU2020 targets as set out in the NRP.

4. **Continued Attraction of Foreign Direct Investment** – (FDI) The availability of Broadband infrastructure and Next Generation Access will enable the most advanced uses of cloud computing technology all across Ireland and deliver additional jobs and investment from global corporations. FDI already accounts for 240,000 direct and indirect jobs in Ireland.

A majority of new investments in Ireland are driven by ICT intensive firms in digital media, financial services, ICT, and R&D. An important part of the FDI value proposition will be in the ability of knowledge workers to work from home. There will be a growing emphasis on working from home in the future as globalisation continues and new types of industries evolve.

5. Healthcare Reform – e-Health technologies such as remote monitoring and remote diagnosis provide a tangible opportunity to shift the balance of healthcare away from the hospitals and into the community with benefits for patients and the healthcare system as a whole.

As part of the European Semester process, Country Specific Recommendations for Ireland issued in June 2014 contain recommendations on a number of issues including reform of the healthcare sector initiated under the Future Health Strategic Framework to increase cost-effectiveness. A key reform in this regard is the increased use of eHealth.

eHealth implementation is identified by the Commission as one of the Societal Challenges for the upcoming decades. It covers the ICT-based interaction between patients and health-service providers, institution-to-institution data transmission, peer-to-peer communication between patients or health professionals. It also includes health information networks, electronic health records, and tele-medicine services, including personal wearable and portable communicable systems for monitoring and supporting patients.

eHealth is increasingly being seen in the context of new health delivery models outside of traditional hospital computing environments, with a view of patient information extending across the full range of care settings. This will involve building relationships with both the ICT industry and academia, working in tandem with our partners in Europe and progressing the eHealth agenda in line with the EU eHealth Action Plan 2012 – 2020, to maximise the potential for innovation and improvement. A critical component of implementing this strategy is the ubiquitous availability and accessibility of Broadband infrastructure and Next Generation Access.

EU/IMF commitments in this regard related to the publication of an eHealth Strategy and the publication of the Health Identifiers Bill. The eHealth Strategy was published in December 2013 and its implementation is underway.

The Health Identifiers Bill was also published in December 2013 and is being progressed steadily through the Oireachtas. The Bill provides the legal basis for Individual Health Identifiers for health service users and unique identifiers for health service providers.

The identifiers will be used across the health service, both public and private. Individual Health Identifiers are primarily about patient safety and ensuring that the right information is associated with the right individual at the point of care. Individual Health Identifiers will also
help in managing the health service more efficiently and will be a building block for health reform initiatives including Money Follows the Patient\textsuperscript{13}.

Actions that will be progressed in 2014 include the establishment of an entity called eHealth Ireland, the recruitment of a Chief Information Officer for the health system to lead eHealth Ireland, and the formulation of plans to progress key priority projects. While it is generally acknowledged that eHealth has the potential to transform healthcare delivery systems, Government has also recognised the potential for eHealth for economic development and includes it in the 2014 Action Plan for Jobs as a sectoral opportunity.

6. **Transport** – Use of Broadband infrastructure and Next Generation Access for increased e-Working and interactive traffic management will reduce peak traffic flows, impacting positively on energy use, carbon emissions and efficiency generally.

There is a strong interrelation between intelligent transport systems (ITS) and regional development. Smart, sustainable and safe transportation by using ICT addresses many regional policy priorities. They aim at improving liveability, sustainability, economic growth and safety.

By ensuring the scale-up and replication of these systems, regions address one major cornerstone in reaching the 20/20/20 energy and climate goals. Reducing energy use and carbon emissions will support Ireland in meeting its EU2020 target of reduction of greenhouse gas emissions in sectors not covered by the Emission Trading System by 20% compared to 2005 levels.

7. **Education and e-Learning** – Broadband infrastructure and Next Generation Access provides a platform to transform the educational experience by bringing dynamic resources into the classroom and enabling seamless communication between teachers, students and parents at primary, secondary and tertiary levels. The Government’s 100Mbps to Schools Programme will provide the infrastructure necessary to underpin a transformation in the delivery of education at second level.

The provision of Broadband infrastructure and Next Generation Access will support Ireland in meeting its EU2020 targets of Increasing expenditure on research and development and increasing the percentage of 30-34 year olds who have completed tertiary education.

8. **Citizens, Consumers and Government** – Infrastructure for ubiquitous Broadband infrastructure and Next Generation Access gives all citizens access to the same information and opportunity regardless of age, class or location. This will support the implementation of the horizontal principle of equality and accessibility set out in Article 7 of Regulation 1303/2013.

\textsuperscript{13} a system whereby hospitals are paid for the level of inpatient and day case activity undertaken
In Ireland, interaction with Government through Internet services provided by the Department of Social Protection, the Revenue Commissioners and the Property Registration Authority, among others, can be measurably more efficient for both citizens and Government. As the range of e-Government, e-Health and e-Education services inevitably expands, the need for higher bandwidth will follow and be a critical element in supporting these public service reform initiatives.

Furthermore, the provision of broadband in less populated areas will directly and indirectly support other measures to combat social exclusion. The National Digital Strategy recognises that the availability of broadband empowers citizens, helps them save money, reduces social isolation, and provides them with access to more convenient and efficient public services and access to a wide range of resources and services.

The National Digital Strategy identifies that citizen engagement can reduce social exclusion and broadband is a vital tool to facilitate engagement in the following ways:

- It empowers citizens to participate in community and business activities that they could not otherwise access.
- It can reduce social isolation: Audio visual channels such as Skype, “Facetime” etc. are often reported as valued facilities by people participating in basic internet training. Internet use can also reduce depression. In a US study internet use in adults aged 50 and over was shown to reduce depression by between 20% and 28%.
- It enables citizens to communicate in new and often more effective ways, with, each other, business and Government services. Most Irish people now have globally dispersed networks of family and friends whose connections can be greatly reinforced with the help of the internet.
- The advantages of internet access is recognised and appreciated by its users; 78% believe it helps them stay in contact with friends and family,

The provision of broadband in rural areas will directly and indirectly support other measures to combat social exclusion.

There is recognition that this challenge is being addressed at national level; “Delivering a Connected Society – A National Broadband Plan for Ireland” was launched in April 2014. This plan sets out the strategy to deliver high speed broadband throughout Ireland, including in harder to reach rural areas.

**Conclusion**

The findings of the ERDF Needs Analysis both in terms of the identified trends and deficits in Broadband infrastructure and Next Generation Access availability and in particular the territorial challenges identified later in this document, strongly supports ERDF broadband investment and recognises the role Next Generation Broadband (NGB) plays in ensuring strong and competitive regions.
The development of telecommunications infrastructure was also highlighted in a number of the submissions received during the ERDF public consultation processes held by the Regional Assemblies on the preparation of the Regional Programmes 2014-2020. Broadband infrastructure investment forms a key element of the current Regional OPs and has been successfully implemented, with positive outcomes, as affirmed by the programme evaluations.

In accordance with Articles 174 and 176 of the TFEU, Ireland is committed to reducing disparities and redressing the main regional imbalances between the large urban centres and smaller towns and wider rural communities. To do this, Ireland will build on previous success by investing ERDF funding in enhancing broadband speeds and quality and the roll-out of high-speed networks and supporting the adoption of emerging technologies and networks for the digital economy in line with Article 5 (2) (a) of EU regulation 1301/2013.

The extension of Broadband infrastructure and Next Generation Access to areas where it is not currently available is an essential component in the Government’s economic strategy and in supporting many public service reform initiatives and assisting Ireland in meeting its EU2020 targets and implementing Ireland’s Country Specific Recommendations.

3. Poverty and social inclusion

National data on poverty shows a national rate of consistent poverty of 7.7 per cent. The highest rate of consistent poverty was recorded for the Border, Midland and Western region at 9.4 per cent. This compares to and 7.1 per cent in the Southern and Eastern region. Another geographical pattern that can be examined is the rural-urban distinction: the consistent poverty rate in rural areas in 2012 was 7.3 per cent, as compared to 8 per cent in urban areas. The National Reform Programme for Ireland sets as a target the reduction of consistent poverty levels to 4% by 2016 and to 2% or less by 2020. Currently, a reduction of 3.7 percentage points is required (almost 50 per cent) to meet the 2016 interim target. It also sets out an aim to reduce those in ‘combined poverty’ (i.e. consistent poverty or at risk of poverty or basic deprivation by 200,000 by 2020 as part of our contribution to the EU objectives in this area. The population experiencing ‘combined poverty’ was 35.7 per cent in 2012, equating to 1.6 million people. Nominally, this represents an increase of 95,000 from 2011 or 225,000 people on the 2010 baseline figure.

The 2011 census showed 33% of people with disabilities of working age in work, compared to 66% of non-disabled people. Employment has a key role to play in preventing poverty among people with disabilities. Research carried out by the ESRI shows a strong link between disability, joblessness, and risk of poverty, and conversely that employment was a safeguard for people with disabilities against experiencing poverty in their working years or on retirement. Over 80% of people who were ill/disabled and at risk of poverty were in households with nobody at work. Over 80% of those who were ill/disabled but not at risk of poverty had income from employment (67%) or a private pension from employment (14%).
An OECD Report in September 2013 on Ireland noted that we must do more to tackle youth unemployment and that activation policies are paramount. It noted that Ireland has the highest share of young people on income support in the EU and that it is more than 3 times the OECD average.

In Ireland, over 70% of male prisoners and 80% of female prisoners self-report as unemployed on committal to custody. Nearly 50% of unemployed male prisoners and over 56% of unemployed female prisoners report having no occupation i.e. they do not see themselves as associating with any particular job or career. 56% of prisoners left school before age 14 (general population figure 21.9%) and 53% left school with no formal qualifications (general population figure 22.2%). Unemployment, a lack of work experience, and a lack of vocational and educational skills are just some of the multiple disadvantages which prisoners experience and which prevent their successful integration into society.

About 12% of the population of Ireland are non-Irish; of these, 71% are EU nationals. The success of migrants in accessing employment is a key indicator of successful integration. Immigrants arriving in Ireland can encounter barriers to integrate within Irish society. Cultural differences, lack of recognition of qualifications and prior learning, and the need for general orientation to the labour market are some of their key challenges.

In addition to the challenges of poverty and social inclusion described above, during the consultation processes, key issues that also arose in this focus area are the high unemployment rate in and emigration from rural areas and the need to respond via targeted training and support for enterprise development and job creation. Access to credit and finance in general is also an important aspect of initiatives that support enterprise development. There are a number of sectors within the rural economy that have been identified as having potential from the perspective of enterprise development and job creation. These sectors include Artisan Foods, Renewable Energies, aquaculture, seafood processing, marine tourism/leisure, Social Enterprise and Creative Industries.

The Irish contribution to the Europe 2020 poverty target is to reduce by a minimum 200,000 the population in combined poverty (either consistent poverty, at-risk-of-poverty or basic deprivation).

The provision of broadband in less populated areas will directly and indirectly support other measures to combat social exclusion. The National Digital Strategy recognises that the availability of broadband empowers citizens, helps them save money, reduces social isolation, and provides them with access to more convenient and efficient public services and access to a wide range of resources and services.

The National Digital Strategy identifies that citizen engagement can reduce social exclusion and broadband is a vital tool to facilitate engagement in the following ways:
- It empowers citizens to participate in community and business activities that they could not otherwise access.
- It can reduce social isolation: Audio visual channels such as Skype, “Facetime” etc. are often reported as valued facilities by people participating in basic internet training. Internet use can also reduce depression. In a US study internet use in adults aged 50 and over was shown to reduce depression by between 20% and 28%.
- It enables citizens to communicate in new and often more effective ways, with, each other, business and Government services. Most Irish people now have globally dispersed networks of family and friends whose connections can be greatly reinforced with the help of the internet.
- The advantages of internet access is recognised and appreciated by its users; 78% believe it helps them stay in contact with friends and family,

The provision of broadband in rural areas will directly and indirectly support other measures to combat social exclusion.

There is recognition that this challenge is being addressed at national level; “Delivering a Connected Society – A National Broadband Plan for Ireland” was launched in April 2014. This plan sets out the strategy to deliver high speed broadband throughout Ireland, including in harder to reach rural areas.

**A child-specific social target**

In recognition of the higher risks and life-long consequences of child poverty, a new child-specific social target will be set in the forthcoming National Policy Framework for Children and Young People 2014-2020 (*Better Outcomes: Brighter Futures*). The Framework will centralise common outcomes, capture policy commitments, prioritise key transformational goals and ensure an innovative and effective way of working across Government as they relate to children and young people aged 0-24 over the next seven years.

**National Action Plan for Social Inclusion**

Ireland’s active inclusion strategy for meeting the national social target for poverty reduction is based on the ‘developmental welfare state’, as outlined in the National Action Plan for Social Inclusion 2007-2016\(^\text{14}\). This adopts a lifecycle approach which places the individual at the centre of policy development and delivery. It has three main policy components, similar to the EU active inclusion strategy:

\(^a\) **Adequate minimum income**

The Government has continued a redistributive policy focus in recent Budgets by maintaining the value of the main weekly social welfare payments in order to protect the most vulnerable in society, despite the requirements for significant adjustments as part of fiscal consolidation under the EU/IMF programme.

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The measures set out below are funded from the Irish Exchequer and will also support Ireland in addressing related issues in the 2014 CSRs.

- **The Family Income Supplement** is a weekly tax-free top-up payment for employees on low pay with children.
- **Childcare supports** - to support the provision of early childhood care and education through three childcare support programmes – the Childcare Education and Training Support (CETS) programme, the Community Childcare Subvention (CCS) programme and the Early Childhood Care and Education (ECCE) programme.
- **Early Childhood Care and Education (ECCE) programme** provides for a free pre-school year and was introduced in January 2010.
- **The Community Childcare Subvention (CCS) programme** provides funding to community childcare services to enable them to provide quality childcare at reduced rates to disadvantaged and low income working parents. Parents qualify as disadvantaged or low income on the basis of means-tested entitlements.
- **The Childcare Education and Training Support (CETS) programme** allows low income parents take up training and education opportunities. A subset of the CETS programme is the After-school Child Care (ASCC) scheme, targeted at low-income families with children at primary school, where parents are availing of employment opportunities.
- **A Working Family Dividend scheme** was introduced in Budget 2015 to help support low income families to take up employment opportunities through the continued provision of child-related income supports for a period of time in employment. The payment will allow an unemployed or lone parent family to keep the Qualified Child Increase (IQC) for a period of up to 2 years after transitioning from unemployment into work. The family will keep 100% of the IQC in year 1 dropping down to 50% in year 2. The cost in 2015 of this measure is €22m.
- **The Advisory Group on Tax and Social Welfare** was established in June 2011 to address a number of specific issues and make cost-effective proposals for improving employment incentives and achieving better poverty outcomes, particularly child poverty outcomes.
- **The Housing Assistance Payment (HAP)** introduced in July 2013 will transfer responsibility for recipients of rent supplement with a long-term housing need from the Department of Social Protection to local authorities. The full-time employment restriction does not apply and therefore will remove a key barrier to persons on social welfare in getting back to work.

In addition, Budget 2015 further demonstrated the Government’s commitment to children by introducing the following measures:

- An increase of €5 per month in Child Benefit from €130 per child to €135 from January 1st, 2015. The cost in 2015 of this measure is €72m.
- A €20m increase in the annual budget of Tusla, the Child and Family Agency established in 2014 as the dedicated State agency responsible for improving wellbeing and outcomes for children.
b) Inclusive labour markets
The links between work and poverty are well-established; employment is critical as a route out of poverty. Ireland faces a number of challenges in addressing unemployment and high poverty risks, particularly for the long-term unemployed, for in-work families (especially lone parent families) and for jobless households.

Measures include:

- **The long-term unemployed** - The further roll-out and development of the ‘one-stop shop’ model of integrated employment and support services (called Intreo) allowing jobseekers to access their entitlements and get help with planning their return to work. New individualised and group engagement processes have been developed, including profiling of all new clients to determine their probability of exit from the Live Register; and implementation of a new personal progression plan.

- **Jobless households** - Jobless households, in particular households with lone parents, face particularly high poverty risks. Major structural reforms have already been initiated which will impact on these households including labour market activation for the long term unemployed and the reform of the One Parent Family Payment.

- **Considering other groups furthest from the labour market** - The Government is considering the appropriate direction of active inclusion policy and especially inclusive labour markets. This includes the consideration of those groups furthest from the labour market, such as carers, the position of second earners especially in low income households and those with a disability. These groups face a number of additional barriers to entering employment, ranging from individual circumstances, health issues, education and training needs, as well as demand-side issues and ensuring that work pays.

c) Access to quality services
In 2011, children were 1.6 times more likely to be in consistent poverty compared to adults. In recognition of the higher risks and life-long consequences of child poverty, a new child-specific social target is to be set in the **Better Outcomes: Brighter Futures - The National Policy Framework for Children and Young People 2014-2020.**

An area-based approach to child poverty initiative, the **Area Based Childhood programme** (ABC), which is designed to deliver prevention and early intervention programmes, is undergoing significant expansion.

These interventions and services cover a broad range of areas, including parenting, early education, speech & language therapy, and pro-social behaviour, and involve programmes that have been tested in an international context. Community-based initiatives have a vital role to play in supporting social participation and enabling access to services, in particular the local and community development programme and the family resource centres programme. Housing and health services are also important in
the fight against poverty, especially for marginalised groups, as detailed in the National Action Plan for Social Inclusion.

During the consultation processes, key issues that arose in this focus area are the high unemployment rate in and emigration from rural areas and the need to respond via targeted training and support for enterprise development and job creation. Access to credit and finance in general is also an important aspect of initiatives that support enterprise development. There are a number of sectors within the rural economy that have been identified as having potential from the perspective of enterprise development and job creation. These sectors include Artisan Foods, Renewable Energies, aquaculture, seafood processing, marine tourism/leisure, Social Enterprise and Creative Industries.

4. Research and development
The current estimate is that Ireland invests 1.72% of gross domestic expenditure on research and development (Eurostat 2012).

Ireland has significantly increased its investment in R&D over the past decade and more, while also introducing a range of measures to improve commercialisation of research and build strong linkages between the higher education sector and enterprise. As a result of this investment, Ireland has built a strong science base and has joined the world’s top twenty countries for scientific output.

This investment in the science base has had a positive impact on Ireland’s industrial development. Approximately two thirds of Ireland’s R&D is in the private sector, creating new product and service innovations that will drive exports, growth, and jobs.

In 2013, of 164 foreign direct investments in Ireland, 27 were in research, development and innovation, activities that are central to productivity and new business development in Ireland’s multinational sector. Despite the challenging economic conditions, indigenous enterprises continue to invest in R&D and these enterprises have proven they can grow exports and create employment.

These trends have been supported through a range of measures including improvements in fiscal measures to support research and development (modifications to the R&D Tax Credit were announced in October 2013, following a review of the scheme), supports for higher education-industry linkages and supports for in-company R&D and start-up companies. As a consequence of this increased investment, the research intensity rate for 2012 for Ireland has been confirmed at 2.13% of GNP (1.72% of GDP) and at this point Ireland is on track to achieve its Research and Development target of 2.5% of GNP (2.0% of GDP) by 2020.

Science, Technology and Innovation (STI) policy has evolved in recent years and the current strategy is focussed on accelerating the economic and societal return on STI investment, further
strengthening enterprise engagement with public research and driving more commercialisation of publicly-performed research.

Investment in STI for Ireland’s on-going and future economic and social development and well-being is based on a dual approach. Firstly, investing in people, infrastructure and associated facilities to build the science base and secondly, direct support to the enterprise sector in order to build its capacity for research and development.

2014 Innovation Union Scoreboard
The 2014 Innovation scoreboard demonstrates how individual Member States are performing relative to an EU average in terms of innovation. The report by the EU Commission classifies Member States based on the average innovation performance, into four different performance groups:

- Innovation Leaders
- Innovation Followers
- Moderate Innovators
- Modest Innovators

The chart below shows that Ireland is an Innovation Follower and is performing well relative to the EU average.

Figure 11 EU Member States’ innovation performance

Source: EU Innovation Scoreboard 2014

The chart below shows that Irish innovation performance has experienced some declines in the time period considered but the general trend has been upward. The performance relative to that of the EU has declined over time, from 115% in 2006 to 110% in 2013. Although Ireland experienced an increase in its innovation performance, the growth rate of that performance was below that of the EU.
Ireland performs well above the EU average on International scientific co-publications and License and patent revenues from abroad. Other strong performing indicators are Population with tertiary education, Employment in knowledge intensive-services and Knowledge-intensive services exports. Relative weaknesses are in Community designs and Non-R&D innovation expenditures.

Growth has increased considerably in License and patent revenues from abroad, new doctorate graduates and International scientific co-publications. Most notable growth declines are observed in Non-R&D innovation expenditures, Community designs and Innovative SMEs collaborating with others.

The 2014 Regional Innovation Scoreboard report highlights other interesting facts about Ireland’s innovation performance:

- Ireland remains in the Innovation Followers category but has moved up one place overtaking Austria.
- Ireland is one of the highest performers in the Innovators and Human Resources Dimensions;
- All regions in Ireland have grown at a higher rate than the EU average.
- In the dimension Economic effects, the Innovation leaders and several Innovation followers are performing the best. Ireland, an innovation follower, is the overall leader in this dimension followed by Denmark, Finland, Germany and Luxembourg.
- Growth performance of Ireland (1.0%), Belgium (0.9%) and the UK (0.5%) is well below that of the EU and their relative performance has worsened over time.
- All the EU regional innovation leaders (27 regions) are located in only eight EU Member States, one of which is Ireland. This indicates that innovation excellence is concentrated in relatively few areas in Europe.
**Smart Specialisation / Research Prioritisation**

A key initiative to deliver on this overarching strategy is the National Research Prioritisation Exercise, which is being implemented on a cross-Government basis since March 2012, following approval by Government. The report of the Research Prioritisation Steering Group (1st March 2012) recommended 14 areas of opportunity which should receive the majority of competitive public investment in STI over the coming five years, as well as underpinning technologies and infrastructure to support these priority areas.

The majority of competitive public STI investment will be aligned with these 14 areas of opportunity. The areas were identified on the basis of existing strengths of the enterprise base, opportunities that exist in terms of the global marketplace and those which are most likely to deliver economic and societal impact, and ultimately, jobs.

Action Plans, which are designed to identify the actions that are required across research funding organisations to re-align the majority of competitive public research funding around the priority area, have been developed for each of the priority areas. Moreover, a detailed “Framework of Metrics and Targets for Monitoring Public Investment in Science, Technology and Innovation” has been drawn up to measure the outputs and impact of funding provided.

This ambitious Framework of Metrics and Targets was adopted to stretch the public enterprise support system in order to maximise the impact of public investment in R&D under the National Research Prioritisation Exercise and to assess the success over time of the implementation of Research Prioritisation.

“Development and Implementation of the National Research Prioritisation Exercise, Ireland’s national smart specialisation strategy” was sent to the European Commission in mid-December 2013. Priority areas identified in the National Research Prioritisation Exercise, which is the core element of Ireland Smart Specialisation Strategy for Research and Innovation, include areas relevant to agriculture as well as the marine sector, among others.

The European Research Area (ERA) priorities and actions addressed to Member States listed in the Commission Communication “A Reinforced European Research Area Partnership for Excellence and Growth”15 have been taken into account in the development of Ireland’s Smart Specialisation Strategy for Research and Innovation.

The National Research Prioritisation Exercise, which is the core element of Ireland Smart Specialisation Strategy for Research and Innovation, includes provisions to enhance the effectiveness of the national research system, the labour market for researchers and optimal circulation, access to and transfer of scientific knowledge as well as enhancing the conditions for further transnational cooperation. The European Research Area Progress Report 2013 Staff

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Working Document\textsuperscript{16} notes that the science technology and innovation system in Ireland is well aligned with the ERA priority to promote effective national research systems, with peer-reviewed competitive funding continuing to prevail in Ireland.

Other evidence
The findings of the Needs Analyses both in terms of the identified trends and deficits in RTDI and the findings of the SWOT analyses, continue to strongly support the case for investment in RTDI to maintain their catalytic role in the development of the economies of Ireland’s regions. It is recommended that RTDI investment follows Ireland’s identified priority research areas to enable regions to maximise local and regional competitive advantages in emerging technological sectors.

The maintenance of RTDI as a key strand of industrial policy was consistently highlighted in public submissions received. Further investment in RTDI builds upon investment under the 2007-2013 ERDF Operational Programmes and their documented achievements. It presents synergies with the thematic objective of Enhancing the Competitiveness of SMEs and can act as a key programming tool to meet the needs of both regions.

Ireland’s RIS3, through the National Research Prioritisation Exercise, has identified 14 strategic areas of opportunity where public investment in research should be aligned. Considerable investment will be necessary to realise this potential. The majority of HEI’s are based in the S&E region.

Public R&D expenditures are below the OECD median. Although the S&E region is now classified as an Innovation Leader (Regional Innovation Scoreboard 2014), Ireland still falls short of its Europe 2020 targets for GERD at 2% of GDP – currently at approx. 1.7%. Capacity of higher education institutes in both regions to access R&D Funding is below the OECD average. There are currently weak academic-industrial linkages and sub-optimal commercialisation of research. EPO Patent applications are below the EU average. Marine biotechnology and high tech marine products and services are currently valued at €85m per annum and underpinned by marine research, are earmarked for growth in ‘Harnessing Our Ocean Wealth’.

The outcome of public consultations and SWOT analyses highlighted broad based support for knowledge transfer and innovation across the six EAFRD priorities. Such knowledge transfer can be delivered by a variety of mechanisms and the challenge is to develop a balanced and integrated package of knowledge transfer and innovation measures to underpin the new RDP.

Science Foundation Ireland (SFI)
In order to fully support implementation of Research Prioritisation, the legislation to extend the mandate of Science Foundation Ireland (SFI), Ireland’s national science foundation, to allow it to fund the full continuum of research (applied as well as basic research) in institutions across all of the 14 priority areas entered into force in November 2013. SFI is mandated to invest in

research most likely to generate new knowledge, leading edge technologies and competitive enterprises, based on academic excellence and impact.

SFI’s new legislation provides a legislative basis for SFI to provide funding to promote the study of, education in and awareness of, science, technology, engineering and mathematics (STEM). The Discover Science and Engineering programme had been transferred to SFI on an administrative basis with effect from 2012. SFI has been working to consolidate STEM education and outreach funding provided to third parties following the transfer. As part of this process SFI has established a new funding programme modelled on the processes used by SFI to manage and deliver scientific calls. Through the SFI Discover programme, SFI supports a range of activities promoting STEM, including both education and public engagement focused activities.

Enterprise Ireland (EI)
Through Enterprise Ireland, the Government organisation responsible for the development and growth of Irish enterprises in world markets, the Government provides supports for the commercialisation of academic research and collaboration with industry and there are a number of supports to directly assist companies with research and innovation activities that will lead to job creation and increased exports.

Intellectual Property (IP) Protocol
With a view to further driving the commercialisation of publicly-funded research, a new national Intellectual Property (IP) Protocol is helping to provide industry with easier access to IP arising from publicly funded research. A key initiative linked to the IP Protocol is the new central Technology Transfer Office (cTTO) located in Enterprise Ireland, which is providing a crucial interface between industry and the research community and is helping to drive a world class technology transfer system in Ireland, ensuring it is responsive to the needs of both academia and enterprise.

The cTTO will play a key role in the Irish innovation system by providing a responsive interface between companies and the wealth of technology, skills and “know how” available in the higher education system.

IDA Ireland
IDA Ireland has a key role in seeking to win high-value R&D investments for Ireland, by promoting collaboration between industry, academia, government agencies and regulatory authorities. It also funds in-company R&D. Ireland’s strengthened national research ecosystem has enhanced IDA’s capacity to attract increased levels of high-value R&D projects which qualitatively transform and deepen the roots of key multinationals here.

A joint Enterprise Ireland – IDA Ireland Technology Centres programme supports 14 industry-led research centres (Technology Centres) which are undertaking research in specific areas. Generally, the centres are based in a university with support from partner universities to deliver on the research needs of enterprise.
5. **Climate change and resource efficiency**

Ireland has continued to make progress in relation to its obligations under the Europe 2020 strategy of achieving 20-20-20 targets on greenhouse gas emissions, renewable energy and energy efficiency.

**Greenhouse gas emissions - Reducing Emissions in the Non-traded Sector by 20% Compared to 2005 Levels**

Under the 2009 EU Effort Sharing Decision, which applies to greenhouse gas emissions (GHG) outside the scope of the EU Emissions Trading Scheme, Ireland must limit growth of emissions to 20 per cent below 2005 levels over the period 2013 to 2020.

This emission reduction target under EU law is ambitious and challenging from an Irish perspective. The target set in the 2009 has proved to have been disproportionate for Ireland. This has been highlighted by Commission analysis in 2012 which suggested that a cost-effective scenario would have resulted in a +0.4% change in Ireland’s emissions profile up to 2020, rather than the -20% target received under the ESD.

The target is particularly onerous given the size of our agriculture sector and the scale of emissions associated with it. The Environmental Protection Agency has projected that agriculture emissions, in the absence of abatement measures, will increase by 9.7% between 2010 and 2020 (or 3% above 2005 levels).

The Environmental Protection Agency’s (EPA) four yearly state of the environment report states that Ireland’s environment remains in a good condition, although there are a number of areas of concern, and Ireland faces a number of key challenges in the coming years in areas such as improving water quality and protecting and restoring biodiversity and Ireland’s habitats as referred to in the Prioritised Action Framework.


A number of the submissions received through the public consultation processes highlight the need for investment on conservation measures, water management and infrastructure investment, promotion of the green economy, rehabilitation of contaminated sites, inland fisheries infrastructures and waste management measures. Availability of adequate water and

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waste-water treatment and distribution was identified as a bottleneck during the preparation of the OPs.

Notwithstanding the various challenges highlighted above and given the limited ERDF resources available, along with the requirement that 80% of the ERDF investment should be focused on Thematic Objectives 1-4, the Needs Analysis did not prioritise ERDF funding for Thematic Objective 6.

The European Commission communication on a framework for energy and climate policy to 2030 (January 2014) includes a section that recognises the nexus between agriculture and land use including forestry. It provides an opportunity for Ireland and other member states to engage with the Commission to progress the formulation of a realistic, cost-effective climate ambition for these sectors while sustainably increasing food production to meet the challenge of increased global demand to 2030 and beyond.

Ireland’s target for the period to 2020 consists of a series of declining annual targets, and compliance must be demonstrated with each annual target in turn. The Environmental Protection Agency publishes annual inventories of, and projections for, national greenhouse gas emissions.

Ireland is on course to comply with the mitigation trajectory in the first half of the eight-year compliance period. Compliance in the years 2017 to 2020 is more challenging and this is being addressed by the development of policy and legislation, as set out below.

**Legislation**

EU Directives, which have been transposed into Irish law, set down the air quality standards for Member States. In accordance with the commitment contained in the Programme for Government to introduce primary legislation on climate change, the Minister for the Environment, Community and Local Government published outline Heads of a Climate Action and Low Carbon Development Bill in February 2013.

The outline Heads were published in tandem with the final policy analysis report from the Secretariat to the National Economic and Social Council (NESC) - Ireland and the Climate Change Challenge: Connecting ‘How Much’ with ‘How to’.

Both documents have been the subject of wide-ranging public consultation as part of the examination of the issues by the Oireachtas Joint Committee (Parliamentary Committee) on the Environment, Culture and the Gaeltacht. As part of its work, the Committee invited written submissions from interested individuals/groups and held oral hearings involving selected individuals/groups. Having considered the outline Heads of the Bill, the policy analysis by the NESC Secretariat, and the views of stakeholders, the Joint Committee forwarded a report to the Minister for the Environment, Community and Local Government in November 2013.
The report, and the policy analysis by the NESC Secretariat, will be key inputs for consideration by Government in adopting a national policy position on the transition to a low-carbon future, including appropriate institutional arrangements, and finalising the introduction of climate legislation.

The vision for the agriculture and land use sector including forestry is for an approach to carbon neutrality which does not compromise capacity for sustainable food production.

Low Carbon Roadmapping
In anticipation of the planned primary legislation, a National Low-Carbon Roadmap to 2050 is being developed. The planned Roadmap will focus on greenhouse gas mitigation and Government Departments (Ministries) with responsibility for four key sectors in this regard have been asked to develop sectoral input. The key sectors are electricity generation, the built environment, transport and agriculture.

The roadmapping process will focus in detail on:

- closing the distance to Ireland’s greenhouse gas emissions reduction target under the 2009 EU Effort-Sharing Decision in the compliance period 2013-2020; and
- putting in place appropriate plans to mobilise further mitigation action in response to the level of mitigation ambition envisaged for the purposes of national low-carbon transition over the period to 2050.

On completion, it is intended that the first draft 2050 National Low-Carbon Roadmap will be released, together with a draft Strategic Environment Assessment, for a substantial period of open consultation.

Renewable Energy
The European Strategic Energy Technology Plan\(^{18}\) establishes an energy technology policy for Europe. It’s a strategic plan to accelerate the development and deployment of cost-effective low carbon technologies. The plan comprises measures relating to planning, implementation, resources and international cooperation in the field of energy technology.

The 2009 EU Renewable Energy Directive set Ireland a legally binding target of meeting 16% of our energy requirements from renewable sources by 2020. This was further reinforced at a European Council meeting March 2014 where reduction of EU energy dependency, in particular through increasing diversity of energy supply, was declared a top priority.

The National Renewable Energy Action Plan sets out the planned trajectory for achieving the target set in the 2009 Directive across the electricity, heat and transport sub-sectors with 40% needed in electricity, 10% in transport and 12% in heating and cooling to meet Ireland’s overall 16% commitment.

The overarching objective of the Government’s energy policy is to ensure secure and sustainable supplies of competitively priced energy to all consumers. Ireland is currently heavily reliant on imported fossil fuels to meet our energy needs. While it is acknowledged that fossil fuels will remain part of the energy mix for some time to come, progress is being made towards increasing the share of indigenous renewable energy in our generation portfolio.

In 2012, 7.1% of Ireland’s overall energy requirement was met by renewable energy. As a percentage of the targets for each of the three sectors, this equates to 19.6% of electricity demand, and 2.4% and 5.2% respectively of transport and heat power needs, being met by renewable energy in 2012.

To date wind energy has been the largest driver of growth in renewable electricity, contributing most towards the achievement of the 2020 target. The principal supports in place to incentivise renewable generation of electricity are the three Renewable Energy Feed-in Tariff schemes. In 2012 15.3% of electricity demand was met by wind generation.

At the end of 2013, the total amount of renewable generation connected to the grid was 2,300 MW. It is estimated that a total of between 3,500 and 4,000 MW of onshore renewable generation capacity will be required to allow Ireland to meet its 40% renewable electricity target. Currently, around 3,000 MW of renewable generation has taken up connection offers under the Gate 3 grid connection programme.

In addition, in February 2014, the Government launched the Offshore Renewable Energy Development Plan19 (OREDP), which will provide a framework for the sustainable development of Ireland’s abundant offshore renewable electricity resources in the period beyond 2020. The objectives of the OREDP are fully aligned with those of the ‘Blue Energy’ initiative as outlined in the recent European Commission Communication.

With regard to renewable transport, the uptake of electric vehicles has been slower here than expected – a common experience across the EU although significant progress has been made with respect to the deployment of publicly accessible charging infrastructure and the ESB expects 1,000 such charge points, including 60 fast charge points, to be deployed by this year. This means that Ireland will aim to meet the 10% binding target in transport principally through the deployment of sustainable biofuels through the Biofuel Obligation scheme.

The obligation was increased to 6% by volume from January last year. Certainty as to the outcome of discussions on the Commission’s proposal to limit the contribution of certain food-based biofuels will be required before further increases to the obligation can be considered.

The deployment of renewable sources of heat is currently underpinned through Part L of the Building Regulations, and REFIT 3 which supports biomass combined heat and power. Further

targeted measures on supporting renewable heat are being considered in the context of the forthcoming Bioenergy Strategy.

**Energy Efficiency**

Through successive Action Plans, Ireland has maintained its commitment to a 20% energy savings target in 2020 and to achieving a 33% reduction in public sector energy use. These remain the central pillars of Ireland’s national energy efficiency policy. While there have been substantial savings in the last three years, it is clear that a significant acceleration of effort is required if we are to realise our 2020 targets and the economic benefits that will accrue.

Ireland’s third National Energy Efficiency Action Plan20 reaffirms the commitment to deliver 20% energy savings in 2020. This equates to energy savings of 31,925GWh; the calculation of which was based upon the methodology outlined in Annex 1 of the Energy Services Directive (ESD) i.e. the average of the most recent 5-year period of unadjusted final energy consumption, expressed as ‘primary energy equivalent’. The relevant data period was 2001–2005.

The national target was calculated as 20% of the average of unadjusted final energy consumption for the period 2001–2005, expressed as ‘primary energy equivalent’. The emission trading sector is included in the national target, as opposed to the targets set out in the ESD.

The absolute level of primary energy consumption in 2020 is estimated to be 158,423 GWh (13,622 ktoe). The absolute level of final energy consumption in 2020 is estimated at 129,802GWh (11,161 ktoe).

The conversion to primary energy equivalent takes into account the conversion losses in electricity generation and makes units of different energy streams more comparable. The final energy consumption is converted to primary energy equivalent by multiplying the electricity component by a factor (assumed to be 2.5) to reflect the average electricity generation efficiency during the reference period (assumed to be 40%) and adding it to the remainder of the final energy consumption.

A three-year energy saving target of 2,000GWh was set and delivered21 for the period 2011 – 2013, with a new three-year target to be set for the period 2014-2017 in accordance with the new Energy Efficiency Directive provisions, specifically Article 7. In this regard, a new programme of energy saving obligations has been established for all energy suppliers.

The Better Energy Programme has consistently delivered energy savings in the domestic, commercial and public sectors over the past four years, while a retrofit programme for low-income housing was integrated in 2009. Given the economic challenges faced by the country, the Better Energy Programme is moving from a grant-based programme to one that relies upon


21 Subject to final calibration.
sustainable financing. A number of initiatives are under development including the recent launch of an Energy Efficiency Fund, the publication of a National Energy Performance Contracting Policy Framework and a suite of Exemplar Projects.

There is evidence that the impacts of climate change are already occurring in Ireland and that this can continue over the next half century. The effects of enhanced GHG levels are manifested in rising mean temperatures, more intense and frequent rainfall particularly in winter leading to river and coastal flooding, drier summers possibly leading to water shortages, particularly in the east of the country.

The Commission Services Position Paper for Ireland sets out climate change as a priority area for investment in Ireland. In terms of climate change the paper proposes investments in relation to farm advisory services for climate change adaptation, developing the knowledge base in terms of mapping, monitoring and measures relating to increasing the capacity of the landscape to retain water and reduce the risk of flooding.

In the area of risk prevention, the Commission paper highlights marine forecasting capabilities, response mechanism for marine accidents, loss of agricultural income and sustainable development of coastal areas as priority areas for investment. These investment areas will primarily be relevant to the EAFRD and the EMFF.

Given that the key investment areas to address climate change as prioritised in the Commission Paper for Ireland focus primarily on agriculture and the marine/coastal areas and the limited ERDF resources available, along with the requirement that 80% of the ERDF investment should be focused on Thematic Objectives 1-4, the ERDF needs analysis did not recommend prioritising ERDF funding for Thematic Objective 5. The effect of the agriculture sector on GHG emissions may be addressed through the EAFRD. Indeed, climate change issues figure predominantly in the EAFRD preparatory analyses and in the subsequent design of measures in Ireland’s draft RDP.

**Low carbon economy initiatives**
Central to attaining the 2020 targets for renewable energy while in tandem contributing to the reduction of greenhouse gas emissions, is the shift to a low-carbon economy. Recent trend data shows renewable energy accounted for just 2% of Ireland’s total final energy consumption in 2010 compared to the EU27 average of 7%. The Commission Services’ position paper on Ireland reinforces the need for an increase in share of ‘marine and wind energy and biomass energy’ in Ireland’s energy mix.

Given the requirement that 20% of ERDF resources must be allocated to this thematic objective nationally over the 2014-2020 period and Ireland’s challenging targets under EU 2020, the Irish Authorities are aiming to significantly boost investment in this sector, particularly in the areas of retrofitting of social housing and more energy efficient homes.
The trend analysis which identified the inherent challenges in attaining the 2020 targets and the findings of the SWOT Analysis carried out as part of the Needs Analysis strongly supports the inclusion of this as a key investment priority and recognises the opportunities for strong regional growth arising from such investment.

The positive environmental impacts of such investment are identified in a number of the public consultation submissions received in support of thematic objective four. Such investment also offers important synergies with other proposed investment priorities and other CSF funds in Ireland for the 2014-2020 period.

Ireland aims to achieve a 20% reduction in overall energy demand. This requires targeted energy efficiency measures. Ireland’s GHG emissions are 50% above the EU average at 13.8t of CO2 per capita. Poor energy performance of the building stock, including social housing and public buildings has been identified. A challenging target of 33% energy efficiency in public buildings has been established. The current median Building Energy Rating (Energy Performance Certificate – EPC) for domestic dwellings is a D1 with an energy consumption of 210 KWh per m². The majority of new houses constructed since 2008 have a C1 rating or better. This is a key measure of the efficiency of energy consumption of Irish dwelling houses therefore it is important that overall median is improved.

The social apartment buildings for which ERDF funding will be provided for retrofitting are generally at least 50 years old, with many older, and commonly have no form of insulation. There are little if any known privately owned apartment buildings of such an age, and more recently built private apartments would be expected to have a good standard of insulation.

However it is not only the thermal performance which led to the selection of these units for funding, but also the consideration that the tenants are from the lowest socio-economic group and on occasions may not have the resources to adequately heat their rented dwelling. Consequently, the investment is seeking to address both a reduction in energy consumption by way of thermal improvements, but also to address genuine instances of fuel poverty.

Resource efficiency, maintaining and protecting the marine biodiversity

The environmental challenges related to marine biodiversity and ecosystems are essential to a sustainable seafood sector. The fisheries sector is striving to achieve economic profitability and social and environmental sustainability, depending on limited resources and functioning in a difficult economic environment, with rising costs and low level of investments. Despite some improvements in recovery of many fish stocks, the pressure on some stocks around Ireland is still high.

The economic profitability of many fleet segments needs to be sustained by maintaining a balance between the fishing capacity of the fleet and fishing opportunities. Eliminating the wasteful practice of discards, identifying new fishing techniques with low environmental impact
and managing fisheries at their maximum sustainable yield, as part of the CFP implementation, are major challenges for the Irish sector.

Priorities will, in this context, be to fully implementing the reformed Common Fisheries Policy (CFP) – with emphasis on:

- scientific partnerships and studies to support the CFP implementation, including on the impact of fisheries on the marine ecosystems
- implementing landing obligations through investments in the fleet, in fishery harbours and in electronic information systems
- support the sustainable exploitation of the fisheries resources, by managing fisheries at maximum sustainable yield (MSY) levels of exploitation by 2015 where possible and 2020 at the latest,
- ensuring reduced negative impact of fisheries on environment
- maintaining a viable balance between fleet capacity and fishing opportunities,
- ensuring compliance with regulations implementing the CFP through efficient control and enforcement systems,
- the collection and analysis of data on the seafood industry under the Data Collection Framework to better support decision making in the management of fisheries under the CFP,
- ensuring wild capture fisheries and aquaculture fully comply with EU environmental law.

Each of these areas are likely to feature as significant implementing measures under the EMFF OP. The fisheries and aquaculture sectors, as well as other marine sectors, can no longer be seen in isolation from the broader maritime environment, as being heavily dependent on access to maritime space and to healthy marine ecosystems. Full implementation of the Habitats and Birds Directives, the Marine Strategy Framework Directive and the Maritime Spatial Planning Directive will be essential elements of Ireland’s strategy in this context.

Ireland has recognised the importance of Marine Spatial Planning as a key enabler of sustainable growth in the marine area. Initiating a marine spatial planning system for Ireland will help guide future investment and development decisions. Marine Spatial Planning will underpin coherent and integrated marine planning and management and public participation, aimed at delivering a thriving sustainable maritime economy based on healthy, clean and productive marine ecosystems. Implementing MSP in Ireland will provide an opportunity to provide coordination with marine spatial plans being prepared by UK authorities for marine areas which adjoin our jurisdiction, notably in the Irish Sea.

In order to provide assurances to investors and meet our international obligations, Ireland must continually improve national capabilities in the area of security, safety, surveillance and eco-protection of the maritime domain. This will be achieved through effective enforcement of maritime safety standards, improved information sharing and increased cooperation and innovation among all actors, at both national and EU level, together with the effective
deployment of air and sea surveillance, monitoring and enforcement capacity, including under the proposed EU ‘Common Information Sharing Environment (CISE)’ initiative, the ‘Safe Sea Net’ system and the European Defence Agency ‘EDA – MARSUR’ project.

In February 2014 the Government launched the Offshore Renewable Energy Development Plan (OREDP), which will provide a framework for the sustainable development of Ireland’s abundant offshore renewable electricity resources in the period beyond 2020; sharing the objectives of the ‘Blue Energy’ initiative as outlined in the recent European Commission Communication.

Cost-effective harnessing of the potential of the clean, sustainable, indigenous, renewable energy resources that Ireland is fortunate to have in abundance, is crucial to reducing our dependence on expensive fossil fuel imports, improving our national competitiveness over time, securing supplies of competitively priced energy to all consumers, reducing harmful emissions and delivering growth and jobs in the green economy.

The outcome from the EAFRD SWOT and public consultation processes demonstrates an overall need to address resource efficiency and the promotion of carbon sequestration.

6. **Education**

**Early school leaving**
The percentage of early school leavers in Ireland fell from 11.4% in 2010 to 9.7% in 2012. This represents positive progress towards achievement of our 8% target.

A number of measures have been put in place to support achievement of the target, including:

- Implementation of the national action plan, “Delivering Equality of Opportunity in Schools” (DEIS); This focuses on addressing the educational needs of children and young people from disadvantaged communities
- Retention, the latest report shows increases in the retention rates;
- Integration of educational welfare services, to facilitate a standardisation of service delivery across the country;
- National Strategy to improve literacy and numeracy among children and young people;
- Reform of the Junior Cycle of Secondary Education, to improve the quality and students learning experiences and outcomes; and
- Reform of the Further Education and Training Sector, the establishment of SOLAS, the new Further Education and Training Authority and the Education and Training Boards in 2013 aims to address the needs of early school leavers and is responsive to the needs of Learners and Industry.

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Second Chance Education and Training

Participation in lifelong learning in Ireland is lower than the EU average; Eurostat figures for employed persons aged 25-64 participating in lifelong learning in 2011 showed the percentage for Ireland was only 6.2% or 18th place out of the 27 Member States.

Eurostat figures for unemployment rates by highest level of educational attainment (persons aged 25-64) in 2011 showed the following for Ireland and the average across the EU 27:

<table>
<thead>
<tr>
<th>Educational levels</th>
<th>EU 27 (average)</th>
<th>Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (ISCED 0-2)</td>
<td>14.9%</td>
<td>35%</td>
</tr>
<tr>
<td>Medium (ISCED 3-4)</td>
<td>7.5%</td>
<td>15%</td>
</tr>
<tr>
<td>High (ISCED 5-6)</td>
<td>5%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>

These statistics demonstrate that supports to enter second chance education or training must be aimed principally at those who have not completed Leaving Certificate (or equivalent) qualification. It should give individuals the opportunity to combine a return to learning with family, work and other responsibilities. Anyone who has left full-time education should be able to take part in a course, but priority should be given to those with less than upper second level education.

Tertiary Attainment

The latest Eurostat data show that Ireland’s tertiary attainment rate for 30-34 year olds was 51.1% in 2012, up from 49.7% in 2011. Ireland has the highest rate for this indicator of all EU27 countries since 2009 but further improvement is needed to progress towards the EU2020 target for Ireland of 60%. There are identified skills shortages in areas such as ICT, Manufacturing and International Financial Services, resulting in a reduced domestic supply of graduates.

In the tertiary attainment rate for 25-34 year olds indicator presented by OECD, Ireland ranks 1st in EU27 and 4th in OECD. This increase is due to the high participation rates for school leavers that have been growing steadily over the last decade, and the growing participation of adults in higher education. The National Strategy for Higher Education to 2030 (January 2011) provides a framework for the development of the higher education sector for the next twenty years.

The Department of Education and Skills has also introduced two new competitive funding streams at higher education level that address the specific skills needs of industry that support jobseekers into employment, and help increase the skills profile of the labour force.

The Springboard programme strategically targets funding of free part time higher education courses for unemployed people in areas of identified skills needs, such as ICT, Manufacturing and International Financial Services.
The joint Government-Industry ICT Action Plan\textsuperscript{23} has been developed as a direct response to identified ICT skills shortages, and contains a comprehensive range of short, medium, and long term measures to build the domestic supply of ICT graduates. As part of the Plan, almost 1,500 places have been provided for graduate jobseekers under two the rounds of the ICT graduate skills conversion programmes that have issued to date. A new call for proposals, which issued during February, is expected to provide for up to 700 additional places in 2014.

To date, the ICT conversion programmes have seen a 25% female participation rate as compared to mainstream undergraduate ICT programmes which see a 15% female participation rate.

In 2013, the Minister for Education and Skills announced agreed commitments to a number of measures by 2\textsuperscript{nd} and 3\textsuperscript{rd} level education partners that will improve the transition between second level and higher education, entitled 'Supporting a Better Transition from Second Level to Higher Education: Key Directions and Next Steps'.

This initiative will, among other things, contribute to achieving improvements in retention and completion rates both at second level and in higher education. It is envisaged that an implementation plan, including the scope and timeframe for implementation of the three commitments and other further work, will be available by the end of 2014.

**Widening participation in Higher Education**

A new National Access Plan for higher education will be developed to promote access for disadvantaged groups and to put in place coherent pathways from second level education, from further education and from other non-traditional entry routes, with the objective of progressing towards the Bologna Process objective of ensuring that the student body entering, participating in and completing higher education reflects the diversity of Ireland’s population.

The Department will also commence work on the development of a strategic life-course approach to social inclusion across the continuum of education as part of its Education and Training Integrated Reform Delivery Plan 2014.

**Adult literacy**

The Programme for the International Assessment of Adult Competencies (PIAAC) results show there remains many adults in Ireland with literacy levels at or below Level 1. Adults in Ireland have an average (mean) score on the literacy scale of 266 compared to the study average of 270. This adjusted mean score places Ireland 17th out of 24 participating countries, and in a group with Germany (267), Poland (267), Austria (266), Flanders (Belgium) (266) and Northern Ireland (265), whose literacy mean scores are not statistically different from that of Ireland (Figure 13). Japan (294) and Finland (288) have the highest literacy mean scores (adjusted).

In 1994, the International Adult Literacy Study (IALS) reported that 22% of Irish adults were at or below Level 1 for literacy proficiency, whereas in 2012 (PIAAC) this figure had dropped to 18% (17.5% unadjusted). IALS estimated that 32.2% of the population were at Level 2 and 34.5% at Level 3, while PIAAC estimates 37.7% at Level 2 and 36.2% at Level 3. At the upper levels of the literacy scale (4/5) the percentage of adults has fallen slightly from 11.2% in IALS to 8.5% in PIAAC.

The distribution across the literacy domain suggests that there has been a general increase in the literacy proficiency of the adult population in Ireland, with proportionally fewer at the lower levels of proficiency and a greater percentage at levels 2 and 3.

The survey conducted as part of the Review of the Adult Literacy Service (2013) indicated that there are wide variations in the education and literacy levels of participants reported at individual VEC level. The research review shows a clear correlation between education and skill levels, e.g., those with less education have lower levels of skills. The DES Circular on interim referral protocols requires that VECs should enable the smooth referral of unemployed people to further education programmes.

The review also recommends that:

- VECs should deliver intensive literacy options to learners of at least six hours a week as part of their core service.
- VECs should strongly promote numeracy as an option for Adult Literacy participants and seek to increase participation in both standalone and integrated numeracy options.
• Given the positive outcomes associated with family literacy, DES should re-emphasise the potential to use mainstream Adult Literacy programme allocations to deliver family literacy programmes.

The Ex Ante Evaluation found that this area of investment responds directly to the challenges and needs identified during the preparation of the OP and is in line with the 2014 CSRs that emphasise a particular focus on low-skilled people.

1.1.2.3 Territorial Imbalances
Nationally, productivity per capita significantly exceeds the EU average. However, as discussed above, inward investment continues to be typically attracted to the (more populous) areas of Greater Dublin and Cork in the S&E region than the predominantly rural BMW region, with the exception of Galway in the West region which has a strong medical technology cluster and has contributed to an impressive regional economic performance.
The north-east portion of the Border region also recorded some impressive gains, partly due to its location on the Dublin – Belfast corridor and the presence of the large urban centres of Dundalk and Drogheda.

Table 3 Total Employment by Region in IDA Supported Companies 2009-2013

<table>
<thead>
<tr>
<th>Area / Region</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>% change 2012/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Border</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North-West</td>
<td>5,261</td>
<td>5,113</td>
<td>5,318</td>
<td>5,199</td>
<td>5,159</td>
<td>-0.7%</td>
</tr>
<tr>
<td>North-East</td>
<td>3,008</td>
<td>2,899</td>
<td>2,977</td>
<td>3,271</td>
<td>3,799</td>
<td>+16.14%</td>
</tr>
<tr>
<td>West &amp; Mid-West</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West</td>
<td>13,435</td>
<td>13,877</td>
<td>15,730</td>
<td>16,447</td>
<td>17,343</td>
<td>+5.4%</td>
</tr>
<tr>
<td>Mid-West</td>
<td>9,221</td>
<td>7,974</td>
<td>8,160</td>
<td>8,690</td>
<td>8,936</td>
<td>+2.8%</td>
</tr>
<tr>
<td>Midlands &amp; East</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midlands</td>
<td>4,604</td>
<td>4,499</td>
<td>4,564</td>
<td>4,829</td>
<td>4,812</td>
<td>-0.3%</td>
</tr>
<tr>
<td>East</td>
<td>67,183</td>
<td>68,183</td>
<td>71,723</td>
<td>75,804</td>
<td>80,152</td>
<td>+5.7%</td>
</tr>
<tr>
<td>South</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South-West</td>
<td>24,044</td>
<td>25,461</td>
<td>26,435</td>
<td>27,818</td>
<td>28,992</td>
<td>+4.2%</td>
</tr>
<tr>
<td>South-East</td>
<td>13,087</td>
<td>12,945</td>
<td>11,932</td>
<td>11,983</td>
<td>11,919</td>
<td>-0.5%</td>
</tr>
<tr>
<td>IDA Ireland</td>
<td>139,133</td>
<td>140,951</td>
<td>146,839</td>
<td>154,041</td>
<td>161,112</td>
<td>+4.6%</td>
</tr>
</tbody>
</table>

Source: IDA Ireland Annual Reports and Accounts 2013

As illustrated in Figure 14 below, GVA figures for 2010 show that Greater Dublin Areas accounted for 42% of total national GVA due to the high proportion of the workforce working in high value-added sectors, particularly finance, business services and information technology. On the other hand, the BMW region (outside of Galway) and more peripheral parts of the S&E region are characterised by an industrial structure which has an under-representation of higher value added sectors and relatively low productivity on an individual sectoral basis.
Figure 14: EU 27, Ireland, NUTS II & NUTS III Indices of GVA per Person at Basic Prices 2002-2010 (EU27 = 100)

Source: CSO (2013), County and Regional Incomes 2010

Figure 14 also illustrates the productivity gap between NUTS III regions. The Dublin region, for example, contributes 42.1% of national GVA with 28.8% of the total employment. On the other hand, the Border region contributes just 6.5% with 10.1% of national employment. A number of structural challenges continue to hamper economic growth within these peripheral regions, with some having become more prominent over the past few years as a result of the economic downturn.

Figure 15: NUTS III Regional Contribution to National GVA 2010

Source: CSO (2013), County and Regional Incomes 2010

The sectoral breakdown of GVA shows the strong dominance of high value added sectors of Market and Non-Market Services (M_NMS), particularly in the Dublin region. In the South-West and West regions the higher proportion of Manufacturing, Building and Construction
(MBC) sectors is indicative of the regionally successful pharma and medical services clusters in Cork and Galway respectively. Agriculture, Forestry and Fishing (AFF) remains an important part of regional economies particularly in the South-East Region (See Figure 16).

**Figure 16: Ireland, NUTS II & NUTS III GVA at Basic Prices 2010**

![Graph of Ireland's NUTS II & NUTS III GVA at Basic Prices 2010](source)

The European Regional Competitiveness Index\(^\text{24}\), which covers a wide range of issues related to territorial competitiveness including innovation, quality of institutions, infrastructure (including digital networks) and measures of health and human capital, places the S&E region as the 131\(^{\text{st}}\) most competitive region out of 262 European regions, this represent a drop of from 46\(^{\text{th}}\) position in 2010.

Similarly the BMW region has slipped down these rankings but its decline has been less dramatic. In 2010 the Region was ranked 132\(^{\text{nd}}\) and in 2013 the Region is placed in the bottom third of regions at 173\(^{\text{rd}}\) position reflecting the challenging economic position in which it continue to operate. Some addition pillars of the Index are selected and further illustrated in Table 4 below.

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Table 4: European Regional Competitiveness Index 2013, NUTS II Ireland Rankings by Selected Pillars

<table>
<thead>
<tr>
<th></th>
<th>BMW region</th>
<th>S&amp;E region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>195</td>
<td>167</td>
</tr>
<tr>
<td>Health</td>
<td>129</td>
<td>76</td>
</tr>
<tr>
<td>Higher Education and Lifelong Learning</td>
<td>120</td>
<td>74</td>
</tr>
<tr>
<td>Labour Market Efficiency</td>
<td>222</td>
<td>192</td>
</tr>
<tr>
<td>Market Size</td>
<td>193</td>
<td>151</td>
</tr>
<tr>
<td>Technological Readiness (Household)</td>
<td>148</td>
<td>116</td>
</tr>
<tr>
<td>Technological Readiness (Enterprises)</td>
<td>104</td>
<td>75</td>
</tr>
<tr>
<td>Business Sophistication</td>
<td>170</td>
<td>50</td>
</tr>
<tr>
<td>Innovation</td>
<td>64</td>
<td>38</td>
</tr>
</tbody>
</table>


Some development needs are specific to different types of territories in Ireland such as urban, rural and coastal and maritime areas of the country. For example, the availability of Next Generation Broadband is not as critical a development need in urban areas as it is in areas outside of the main urban centres.

Urban Areas

In territorial terms, only 1.3% of Ireland is defined as Predominantly Urban (PU) in the Eurostat definition compared to an EU average of 10%. Cohesion policy stresses the role of urban investment, in support of territorial cohesion objectives, through integrated urban actions. Urban areas are recognised as engines for economic growth and as hubs for knowledge, creativity and innovation. On the other hand, particular challenges such as congestion, degradation and concentrations of disadvantage are prevalent in urban areas. Under the Investment for Growth and Jobs goal, a minimum of 5% of ERDF resources must be allocated to integrated actions for sustainable urban development (SUD).

In Ireland the principal strategic framework for urban policy is the National Spatial Strategy (NSS) 2002-2020, which provides a 20 year planning framework and a hierarchy of designated growth centres. The key objectives of the NSS are set out hereunder. These align very well with the overall goals for the European Structural and Investment Funds:

- Sustain economic and employment growth;
- Improve competitiveness;
- Foster balanced regional development;
- Improve quality of life for all; and
- Maintain and enhance quality and diversity of natural environment and cultural heritage.
Sustainable urban development requires that urban areas would be effective and attractive locations economically, socially and environmentally. This would suggest that levels of unemployment should be low, enterprise development high, educational attainment and skills levels high, social deprivation relatively low and environmental indicators such as water quality, air quality and energy use should all be good and improving.

The Gateways and Hubs Development Index which measured the performance of both Gateways and Hubs across a range of economic, social and environmental metrics demonstrated that the implementation by Government of NSS policy has facilitated significant investment in public infrastructure, such as transport, better housing, ICT, improved water services and waste infrastructure that have helped to create the conditions for long-term economic progress in the Gateways and Hubs.

This index is based on data to the end of December 2012 that applies to the nine Gateways and nine Hubs across Ireland. It should be noted that for the purposes of the index the boundaries extend beyond the administrative boundaries of the cities and towns involved and, in some cases, incorporate a significant element of the rural hinterland, within the functional areas of the growth centres.

The data shows that each Gateway and Hub, without exception, experienced population growth in the period between 2006 and 2011. The rate of population growth varied considerably between settlements from a high of 13.2% (Cavan) to a low of 4.6% (Tralee-Killarney). This suggests that, from a population point of view, the Gateways and Hubs have the potential to remain and develop as sustainable entities.
However, the data also revealed that in the case of most of the Gateways and Hubs, the populations of the adjoining hinterlands grew at a far faster pace than that of the urban cores. There is an increased incidence of vacancy in city and town centres, population declining in several core urban areas and lack of incentives for public/private investment in revitalisation schemes.

This means that the designated urban growth centres and gateways face considerable challenges to being effective drivers of regional and national economic development and Ireland’s weak urban structure outside of the major cities, presents significant challenges to the future achievement of integrated urban development. The use of private cars to commute to work or school/college is at 67.7% in the S&E region and 76.8% in the BMW region.

The proportion of the population experiencing 2 or more deprivation indicators grew from 14% to 24.5% over the past 10 years. Many of these household are concentrated in core urban areas. There is also a concentration of historic structures in core urban areas are an essential part of urban fabric but are in need of regeneration.

The level of unemployment in the Gateways and Hubs averaged 19.94% and 20.07% respectively in 2011. This compared with a national unemployment rate of 19.0% when calculated on the same basis with the level of unemployment in all locations having increased significantly since 2006. There was considerable variation in the unemployment rates which ranged from a high of 24.3% (Letterkenny) to a low of 16.6% (Cork).

Within this range it is noticeable that, in general, the larger cities had the lowest rates of unemployment, though, census data also suggests that the unemployment rates in some core city areas area amongst the highest in the country.

The data below is derived from the Gateways and Hubs Development Index which has not been updated since its publication in 2013. Another factor contributing to economic sustainability relates to the rate of formation of new enterprises. This rate fell in virtually all urban areas during the 2006 to the 2011 period. The fall ranged between 1.9% (Cork) and 7.7% (Cavan). This is not surprising given the economic downturn. The decrease tended to be at the lower end of the spectrum in the larger cities and one city, Waterford, went contrary to the general trend with a small increase in business formation. This does suggest, however, that this is an area that needs particular attention across a range of initiatives if future economic vibrancy is to be maintained with its consequential impact on employment and poverty.

EU Directives set down the air quality standards for Member States. Ireland's air quality remains generally good in urban and rural areas. In this regard we are fortunate to be located on the fringe of Western Europe, with a relatively mild climate and to have an almost continuous movement of clean air over the country.
With regard to water and waste-water facilities, however, there are situations in which future water demand and future waste-water treatment capacity may have negative implications for future development. Some major infrastructure projects are under development such as the Dublin Region Water Supply Project. However, there is an urgent need to manage the use of water in urban areas and to provide additional waste-water treatment in certain urban centres. It is important to note that there are ambitious population growth targets for certain urban centres and that the achievement of these levels of growth is significantly dependent on the availability of water and waste-water treatment facilities.

On 1 January 2014, Irish Water was established and took responsibility for the delivery of water services in Ireland including responsibility for the delivery of water services capital infrastructure. Irish Water has published its Capital Investment Plan\(^{25}\) to the end of 2016 and the Department of Environment, Community and Local Government is liaising with Irish Water in relation to the role of the new utility for the provision of the infrastructure necessary for Ireland including fulfilling its obligations under Directive 91/271/EEC concerning urban waste water treatment.

A final issue identified was the need for significant investment in economic projects in urban areas. Where an area is in stagnation or not developing at the pace anticipated it often requires a stimulus to address the bottlenecks that are giving rise to the low levels of growth. It is important that any such investment would have a clear purpose, address an identified need and be clearly integrated with other activities. If these conditions are met, however, individual projects in urban areas can have a significant impact.

The Gateway and Hubs Development Index, which measured the performance of both Gateways and Hubs across a range of economic, social and environmental metrics based on data to end December 2012, demonstrated increasing skill levels of the workforce in urban areas. This is reflected in the increase in third-level-qualified workers within the urban areas. It is interesting to note that the variation in this change is significantly less than that relating to population with most rates lying between 6% and 9%. This suggests the emergence of a more skilled workforce but may also reflect in part losses from the construction industry.

From a sustainable development point of view this suggests that the Gateways and Hubs are well placed to engage in the knowledge economy from where much of the employment of the future is likely to emerge. It does also mean, however, that there is a danger of a social divide emerging based on educational attainment and consequent opportunities for employment.

Broadband connectivity has also increased at a very consistent rate within these urban areas – by between 42% and 48% for the majority of towns. This suggests a major increase in broadband activity during the period though it does not indicate the quality of the broadband, its cost or its speed. However, this increase does suggest that access to services and knowledge

in an online context is now available to the majority of the urban population, while these services are much more limited in areas outside the urban centres.

**Rural Areas**

In territorial terms and using Eurostat definitions, more than 98% of Ireland is classed as Predominantly Rural (PR) compared to the EU average of 52%.

Accessibility is a key need of rural areas in Ireland in terms of physical and electronic forms of access. With regard to physical access, while the radial road system in Ireland centred on Dublin has improved significantly in the past decade, the transverse routes connecting other major national and regional centres has not improved to the same extent. With regard to electronic access, the availability of broadband in rural areas is more restricted than that in urban areas and the speed and quality of the services that are available are also poorer. This gives rise to the danger of the emergence of a digital divide on a geographic basis as well as those that may arise from social and economic factors.

Population and employment decline are some of the key challenges facing some rural areas and towns. Recent evidence from CEDRA shows that the economic downturn has had differing effects on urban and rural Ireland with rural areas particularly affected.

The rural economy and rural communities have experienced the negative impact of current economic crisis due largely to their heavy reliance on declining employment sectors, particularly the construction industry. This has resulted in an increase of 192% in unemployment in rural areas when compared to 114% in their urban counterparts (CEDRA Report – Energising Ireland’s Rural Economy)\(^{26}\). This has had a knock on effect on the overall rural economy and quality of life in rural areas particularly in small and medium sized towns where the evidence of small town decline is clear throughout Ireland.

Research for CEDRA also indicates that many of the key issues confronting rural communities are part of a long term economic and social transformation, as well as reflecting the more immediate impacts of the economic crisis, such as the significant decline in construction employment which in part is related to the longer term decline in agricultural employment. Many rural communities have been fundamentally changed through the decline of traditional rural industries, increased underemployment and growing connections between rural and urban areas, such as increased commuting.

Rural employment accounted for 66% and urban employment accounted for 34% of the total employment in 2010. Due to Ireland’s more rural character, these figures are quite different to the EU27 totals, where rural employment was the least prevalent (around 21% of the total); intermediate employment (34% of the total) and urban employment were the most significant (45% of the total). Clearly, agriculture has a crucial part to play in the rural economy. However, there are various other sectors that are important in terms of the rural economy. EU Common

Context Indicators for 2012 showed that Ireland had an overall unemployment rate of 14.7%, youth unemployment rate of 30.4% and rural (thinly populated) unemployment rate of 15.6%. The EU27 equivalents were 10.5%, 22.8% and 10% respectively.

A 2010 report (Rural Poverty & Social Exclusion on the Island of Ireland\textsuperscript{27}, Dr Kathy Walsh, Oct. 2010) on rural poverty and social exclusion on the Island of Ireland noted that while poverty and social exclusion is more difficult to identify in a rural setting there was evidence to suggest that rural areas continue to register lower average living standards than their urban counterparts. Generally the ‘at risk of poverty’ rating is higher in rural areas with the 2012 CSO/SILC statistics showing that the risk of poverty in rural areas (19.2%) is higher than in urban areas (14.7%).

Ireland has been negatively affected by emigration\textsuperscript{28} as a result of the economic downturn in recent years. For example, an estimated 89,000 people emigrated in the year ending April 2013, compared to immigration of 55,900. This has resulted in net emigration of 33,100. By way of contrast in the year ending April 2007, there was estimated net immigration of 67,300.\textsuperscript{28} Emigration affects rural areas more than urban areas. According to a September 2013 UCC study, an estimated 27% of rural households have been affected by emigration compared to 15-17\% of other households\textsuperscript{29}

The GVA in rural areas tends to be significantly less than that in urban areas. That is to be expected given the higher value-adding occupations tend to be clustered in the urban centres of the country and particularly in the Greater Dublin Area. Disposable income in rural areas tends to be lower than that in urban areas.

The nature of water and waste-water services in rural areas is also a matter worth noting both in terms of the quality of service to the rural population and the implications for environmental quality. Nearly 80\% of the dwellings in the Aggregate Rural Areas of the country were served by septic tanks in 2011 while nearly two-thirds were served by a private water supply.

A 2010 European Commission report on the Future of Rural Areas (Situation and Prospects for EU Agriculture and Rural Areas December 2010)\textsuperscript{30} noted that although the development of rural areas is likely to become increasingly driven by factors outside agriculture, many rural areas, in particular remote and depopulated ones and those that are dependent on farming, will probably face particular challenges in relation to economic and social sustainability.

The rural areas of the country also contain many resources and opportunities for future development. The CEDRA research process and the performance of the LEADER/CLLD element

\begin{footnotesize}
\textsuperscript{29}http://www.ucc.ie/en/emigre/
\end{footnotesize}
of the current RDP and FLAG element of the current EFF OP indicate both the importance and the potential of community participation in development processes in rural Ireland. Ireland is currently undergoing a process of local government reform that aims to facilitate a leadership role for local government in the local development process and this will have an impact on the processes that support the delivery of rural development interventions.

The aim is to create a system of local development, including rural development that is coherent, cohesive and ensures that all funding opportunities available to rural areas are channelled through communities on the ground in order to maximise their impact. The new system will be fully cognisant of the need to involve rural communities in their own development choices learning from the success of the LEADER and FLAG approaches to date to develop a local and rural / coastal development framework that will support the creation and development of sustainable rural and coastal communities into the future.

Rural areas and smaller towns also have access to a highly skilled and educated workforce, many of whom are currently commuting long distances to work. This human capital resource is an important development opportunity for rural areas and smaller centres. It is a resource for sectors such as knowledge services which can be delivered from smaller towns and rural areas to other parts of Ireland and overseas, as long as sufficient quality broadband services are available.

Rural areas also have significant potential to meet the growing demand for the provision of rural / coastal amenities and tourism, and as a store of natural resources and highly valued landscapes. However, this potential remains closely linked in many rural areas to the presence of a competitive and dynamic agri-food supply chain. Therefore it can be difficult to separate the ‘agriculture’ from the ‘rural’, and this is particularly so in Ireland.

Coastal and Maritime Areas
A review of socio-economic data for coastal Electoral Districts indicates challenges in terms of:

- Retaining coastal population
- Above average age dependency rates in areas of the South-East, North and West
- Poor educational attainment in the West and North-West
- Levels of semi or unskilled employment have declined, but remain above the national average in many coastal areas
- Both male and female unemployment levels are above the national average in many coastal districts, with male unemployment rates higher in all areas.

The EMFF SWOT and Needs Analysis identified a need to support the enhancement of the competitiveness and viability of aquaculture and seafood processing SMEs. Beyond fisheries, the ability to exploit ocean resources in order to create jobs or add value to local economies has too often been overlooked in the past in relation to the debate on economic development in Ireland.
The lack of recognition that Ireland has sovereign rights over a seabed which is an area 10 times the size of the land area has meant lost opportunities in terms of the development of both the national economy and coastal/marine communities.

A recent review of Ireland’s ocean economy\(^{31}\) has shown that in 2010, the direct economic value of the Irish ocean economy was €1.2 billion or approximately 0.8% of GDP. The sector had a turnover of €3.5 billion, and provided employment for approximately 16,300 people (Full Time Equivalents).

A vision and goals have been framed within the context of what is happening at the broader global and EU levels, particularly the Integrated Maritime Policy for the European Union, recognising the contribution the ‘blue economy’ can make to global economic growth and the need for appropriate policies, strategies and funding mechanisms to enable this. The Irish Government has set ambitious targets for Ireland’s ocean economy, with an overarching target to increase the value of Ireland’s ocean economy to 2.4% of GDP by 2030, exceeding the global average of 2% of GDP and moving towards the EU average of 3-5%.

Furthermore, in light of market opportunities identified by Ireland (and mirrored by the EU), an ambitious 2020 target of exceeding €6.4bn in annual turnover has been set. This growth is drawn from a diverse range of marine sectors.

\(^{31}\) NUI Galway’s Socio-Economic Marine Research Unit (SEMRU) has published its second report on Ireland’s Ocean Economy as part of their ongoing process of collection and analysis of marine socio-economic data in Ireland. The report is available from www.nuigalway.ie/SEMRU
Coastal/ Marine areas are closely linked to both the ocean economy and the coastal economy as described in *Harnessing our Ocean Wealth – An Integrated Marine Plan for Ireland*[^32] (HOOW). The ocean economy can be defined as the economic activity, which directly or indirectly uses the sea as an input, whereas the coastal economy represents all economic activity which takes place in a specified coastal region; the sum of all sectoral (e.g. fishing, agriculture, etc.) incomes in the region. There is considerable overlap between activities in the ocean and coastal economies in Ireland. Shipping, port & maritime logistics, water based tourism and leisure activities, all to a large extent operate within the coastal economy as well as the ocean economy.

The other marine service categories, such as high tech marine products and services, marine commerce and marine manufacturing are spread across the country but are still most likely to be found in the coastal counties rather than in non-coastal counties.

The output and employment created by the marine sector is distributed widely throughout the country, with a large proportion occurring outside the most developed regions. This is particularly true of many of the activities involved in the commercial exploitation of primary marine resources. Commercial fishing, aquaculture and seaweed harvesting have an important role in the development of many regional economies particularly along the western sea board and play a key role in coastal/marine & rural development. They provide livelihood options in coastal/marine & rural areas where few other employment or income sources exist.

There has been a significant impact on coastal communities dependent on seafood production of the process of restructuring of the Seafood Industry. Mechanisms must therefore be developed to support communities dependent on fisheries and aquaculture to tackle the challenges they face as a result of change in the seafood industry, and improve their quality of life, by accessing support to enhance local seafood related activity, community infrastructure and diversification into other activities.

Geographically, the industry operates right around the coast of Ireland and is concentrated on the western seaboard from Castletownbere, Co. Cork, in the south-west, to Killybegs, Co Donegal, in the far north-west, and the harbour towns of the south-east coastline.

In the Irish context the main industry stakeholders are the primary production sectors of fish catching (offshore and inshore) and aquaculture; the primary and secondary processing sectors; the marketing sectors; and ancillary industries such as net-making, vessel repair, transport, and a number of other services, the majority of which are based in coastal locations.

Economic activities directly related to the seafood/marine industry are spatially concentrated along the Irish coastline and in particular in remote coastal/marine areas. Most of these peripheral regions have been disproportionately affected by the recent economic downturn, experiencing high unemployment levels and increasing migration as a result.

1.1.2.4 Bottlenecks
The following bottlenecks were identified during the consultation processes, needs analyses and evaluations carried out in connection with the preparation of the OPs

Research and innovation
Capacity of HEIs throughout the region to access research funding up to the OECD average, generate R&D activity and commercialise R&D outputs was identified as a bottleneck. Other bottlenecks identified in the RTDI sphere were the quality of academic-industrial linkages and the limited resources available for business-based research and innovation. In 2014-2020, ESI funds will be invested in research and innovation programmes under Thematic Objective 1.
**ICT infrastructure**

Broadband availability, quality and speed particularly outside urban areas was identified as a significant bottleneck during the consultation processes and needs analyses carried out in connection with the preparation of the OPs. In 2014-2020, €75m of ESI funds will be invested in the provision of next generation broadband under Thematic Objective 2.

**SMEs**

The level of SME establishment and growth (in some sub-regions) including access to various forms of finance was identified as a bottleneck during the preparation of the OPs. Significant barriers exist for SMEs to overcome to be enabled to conduct business, therefore a sustained approach which builds upon the achievements of the 2007-2013 Operational Programmes initiatives remains a logical conclusion from the Needs Analysis. Further details on investment of ESI funds to address these issues will be outlined in the OPs.

**Promoting a low carbon economy**

Poor energy performance of the building stock, and social housing stock in particular, and the low level of provision of renewable energy relative to potential were the key issues identified during the consultation processes on the OPs. In 2014-2020, ESI funds will be invested in the retrofitting of social housing and energy efficiency measures in residential dwellings under Thematic Objective 4.

The National Renewable Energy Action Plan sets out the planned trajectory for achieving the target across the electricity, heat and transport sub-sectors with 40% needed in electricity, 10% in transport and 12% in heating and cooling to meet Ireland’s overall 16% commitment.

**Environmental protection and resource efficiency**

A number of the submissions received through the public consultation processes highlight the need for investment on conservation measures, water management and infrastructure investment, promotion of the green economy, rehabilitation of contaminated sites, inland fisheries infrastructures and waste management measures. Availability of adequate water and waste-water treatment and distribution was identified as a bottleneck during the preparation of the OPs. Further details on investment of ESI funds to address these issues will be outlined in the OPs.

**Unemployment**

The 2014 NRP identified that while the main cause of unemployment in Ireland over the last six years has been on the demand side, significant supply-side issues have also arisen, particularly in relation to persons who had previously been employed in sectors worst affected by the recession.

**Education and training**

Significant steps have been taken to better align the content of education and training schemes so that they provide skills required in the expanding sectors. In particular, a fundamental
reform of the Further Education and Training (FET) sector is currently taking place. The main elements of the FET reform are outlined below.

- Establishment of Education and Training Boards
- Establishment of SOLAS
- Review of the Irish Apprenticeship System
- Skillnets (a non-Governmental Agency tasked with the facilitation of work-based training and up-skilling)

Further information on these is contained in Ireland’s NRP 2014.

Ireland’s ability to ensure investment in education, training, up skilling and lifelong learning is essential in preparing our current and future workforce for employment opportunities. Continued improvement in early school leaving rates and in access to third level education with a view to increasing participation and attainment levels is necessary. Enhancing equal access to lifelong learning and ensuring greater labour market relevance of such programmes is required to improve skills needs anticipation. EU funding should continue to be provided for these areas to assist in meeting national and EU objectives.

1.1.2.5 Cross-sectoral, cross-jurisdictional or cross-border coordination challenges

The joint ERDF/ESF Needs Analysis identified some possible benefits for beneficiaries from the Atlantic Area, whereby the ESF programmes might contribute towards the strategy objective. While some of the training under the ESF Employability, Inclusion and Learning OP might be availed of by Atlantic Area residents, it is not intended to have specific measures for the relevant areas that support that strategy.

ETC Programmes

For the 2014-2020 programming period, Ireland will be included (either full territory or partially) in the following European Territorial Co-operation Programmes:

- Atlantic Area Transnational Co-operation Programme;
- Ireland/Scotland/Northern Ireland Cross-Border Programme;
- Ireland-Wales Programme Cross-Border Programme;
- Northern Periphery and Arctic Transnational Co-operation Programme;
- North West Europe Transnational Co-operation Programme; and
- INTERREG V Inter-regional Programme.

The Irish authorities will be represented on the Steering and Monitoring Committees for all of these programmes and actively engaged in the preparatory work for the 2014-2020 period for all of these programmes.
Atlantic Strategy
The relevant Sea-basin strategy for the Irish programmes is the Atlantic Area Strategy (2011), supported by a more detailed Action Plan (2013). The Action Plan identifies four overarching priorities each of which contain a number of specific actions which Member States are invited to implement, using EU and national funds that are managed by Member States. Details of how these priorities link into ERDF investment priorities are contained in the ERDF OPs.

Marine Research Programme
The objective of the Marine Research Programme is to support capacity building and technology transfer through a range of interventions including PhD scholarships, Post-Doctoral Fellowships, research projects and inward/outward research visits.

The Marine Institute will also catalyse funding from other funding agencies (e.g. Environmental Protection Agency, Science Foundation Ireland, Irish Research Council, Geological Survey of Ireland, Sustainable Energy Authority of Ireland, etc.) through co-funding initiatives aimed at achieving common research objectives.

The Irish Government’s Integrated Marine “Harnessing our Ocean Wealth” (HOOW) has identified marine research, knowledge, and innovation as an essential enabler to delivering Ireland’s marine potential. The Marine Institute is developing ‘A new Marine Research and Innovation Strategy’ for Ireland to be completed by the end of 2014/ early 2015. HOOW has identified key sectors with the potential for further growth and expansion, like marine biotechnology and high tech marine products and services sectors.
1.1.3 Strategic guiding principles provided in the Common Strategic Framework (Annex I of the CPR)

Contribution of ESI Funds to Smart, Sustainable and Inclusive Growth

A Common Strategic Framework (CSF) has been established to maximise the contribution of the ESI Funds and to establish strategic guiding principles to facilitate the programming process at the level of Member States and the regions.

Figure 19  Breakdown of the Eleven CSF thematic objectives in the context of the Europe 2020 Strategy

By allocating funding to the selected Thematic Objectives set out in Section 1.4 of this document, Ireland is addressing its identified development needs, contributing to smart, sustainable and inclusive growth and supporting the achievement of its national targets as set out in the NRP.
**Integrated Approach to and arrangements for the use of ESI Funds**
The Irish Authorities are taking an integrated approach to putting the ESI Funds to best use. Tools such as Community-led Local Development (CLLD), Integrated Territorial Investments (ITI’s) and Sustainable Urban Development have all been considered in the formulation of the PA and OPs. Further information on these is contained in Section 3.1 of this document.

**Horizontal Principles and Cross cutting Policy Objectives**
The Common Strategic Framework (CSF) governing the ESI Funds establishes horizontal principles and cross cutting policy objectives for the implementation of the funds in line with Article 11 of EU Regulation 1303/2013. This Partnership Agreement and the Operational Programmes will take account of the following EU and national horizontal principles:
- Partnership and multi-level governance
- Promotion of equality between men and women, non-discrimination and accessibility
- Promotion of sustainable development
- Promotion of social inclusion

Further details on this are set out in Section 1.5 of this document.

**Arrangements for addressing key territorial challenges**
In line with the provisions of Annex 1 of Regulation 1303/2013, the Partnership Agreement sets out the arrangements in place to address the development needs and territorial challenges identified. These are analysed by type of territory (urban, rural, coastal and maritime). Further information on this is contained in Section 1.1.2.3.

**Cooperation Activities**
The main development needs and consequent ESI Funding priorities identified were based on an analysis of coordination procedures and examination of cooperation opportunities between the ESI Funds and other EU funding mechanisms. Details of how these opportunities and synergies will be maximised are set out in Section 2.1 of this PA.

**EU Commission Position Paper**
The Irish Authorities, in compiling the Partnership Agreement and Operational Programmes for the new round of funding are aware of the position paper on Ireland developed by the EU Commission and presented to the Irish Authorities in December 2012 in which the Commission outlined its view of Ireland’s funding priorities in the 2014 – 2020 period, and with which the Irish Authorities were in broad agreement.

The position paper sets the framework for dialogue between the Commission Services and Ireland on the preparation of the Partnership Agreement and the Operational Programmes. It identifies key country challenges and calls for an optimization of the use of the funds, by concentrating resources in a limited number of priority areas.

- Combating long-term and youth unemployment and social exclusion
- Promotion of R&D investment and the competitiveness of the business sector
- Promotion of an environmentally-friendly and resource efficient economy

The Position paper on Ireland calls for optimising the use of European Structural and Investment (ESI) Funds by establishing a strong link to productivity and competitiveness enhancing reforms, leveraging private resources and boosting potential high growth sectors, while emphasising the need to preserve solidarity within the Union and ensuring the sustainable use of natural resources for future generations. There is also a need to concentrate future EU spending on priority areas to maximise the results to be obtained, rather than spreading funding too thinly.

The position paper encourages Ireland to focus on fostering competitiveness and employment and to address inefficient use and exploitation of natural resources and exploiting the job-creation and commercial opportunities provided by harnessing of Ireland’s substantial renewable energy resource including marine renewables. The Position Paper provides an indication of Ireland’s current status and identified targets for key areas against headline targets established by the Europe 2020 strategy.

The position paper also addresses arrangements for efficient programme delivery, coordination, complementarity and synergy, reduction in the administrative burden and partnership arrangements.
1.1.4 Experience gained from the period 2007-2013 and lessons learned; similar pointers deriving from other studies and evaluation.

Reducing the administrative burden
The cascade structure has given rise to some administrative delays (as noted in the Commission position paper), inconsistencies in sampling methods and documentation of verifications and a heavy administrative burden on the bodies concerned. This latter issue has been one of the key concerns raised by implementing Bodies from the 2007 – 2013 round during the consultation processes.

Other areas where the administrative burden on beneficiaries in the 2014-2020 period can be reduced were also identified and further information on these are outlined in Section 2.6.

Experience gained and lessons learned
Experience from previous programming rounds has been taken into account in the form of a number of key design features which will ensure that error rates are minimised and that an appropriate control regime is in place for each OP. The lessons learned from previous rounds has also fed into the identification of development needs and growth potentials relevant to the thematic areas covered as set out below.

1. Strengthening research, technological development and innovation
Under the 2007-13 Regional OPs, significant resources have been allocated to strengthening research capacity through substantial infrastructure investment, and to commercialisation and technology transfer through a number of schemes largely targeted at building research and technology transfer capacity in the higher education institutions.

For the 2014-2020 period greater emphasis will be needed on utilising the existing research facilities to further increase the levels of research activity, with enhanced industrial linkages and partnerships and commercial exploitation, aligned with RIS3/Research Prioritisation Exercise. The focus should also be broadened to include industry-led R&D investment to boost BERD levels across Ireland.

The research performing organisations (Teagasc, Universities and Institutes of Technology) are well recognised and reputable and have experience in the areas of technology and product development. There are well developed inter and intra institutional collaboration fora, e.g. Science Foundation Ireland and Teagasc collaboration. Strategic research agendas for both sustainable agriculture production and food have been published and are being implemented. However, there is recognition that improvements are needed in terms of applying this research and strengthening its links to innovation.
2. **Enhancing access to, and use and quality of, information and communication technologies**

The 2007-13 Regional Operational Programmes supported the delivery of broadband services to all remaining un-served areas of Ireland addressing regional infrastructure and service deficits. Investments undertaken include:

- Roll-out of the National Broadband Scheme;
- Completion of Metropolitan Area Networks (MANs) in collaboration with local and regional authorities (BMW region); and
- Schools Broadband Initiative (BMW region).

The implementation of the ICT infrastructure and services initiatives over the 2007-13 period has been effective with all parts of Ireland now having access to at least a basic broadband service, with minimum upload speeds of 1.4Mbps. This is ahead of the European Union’s “Digital Agenda for Europe” target of universal coverage by 2013. Full delivery of 100Mbps services to all post-primary schools will be completed by 2014.

While the above initiatives have delivered universal basic broadband availability throughout Ireland, a step change is needed to ensure the availability of high speed broadband (>30Mbps) in all currently unserved areas, in line with the Digital Agenda for Europe targets.

3. **Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)**

Under the 2007-13 Regional Operational Programmes, enhancing the competitiveness of micro-enterprises has been supported via two initiatives:

- Micro-enterprise theme administered locally by the County Enterprise Boards; and
- Enterprise Platform programme (New Frontiers) administered by Enterprise Ireland (BMW region).

Under the Regional Operational Programmes €43m has been allocated to micro-enterprise support actions in the BMW region up to the end of 2012, while €75m has been allocated in the S&E region.

Notwithstanding the challenging economic and business environment that has pertained for the past five years in Ireland, the micro-enterprise theme has made steady progress in the delivery of a wide range of essential supports and in the achievement of job gains.

As SME’s account for over 99% of business in Ireland, and 70% of those employed, there is a need for continued support for the establishment and expansion of SMEs through targeted initiatives and the delivery of a menu of supports to enterprises with growth and employment potential.
4. **Supporting the shift towards a low-carbon economy in all sectors**

Under the 2007-13 Regional Operational Programmes measures to support a shift towards a low carbon economy were delivered via a number of schemes and initiatives administered by the Sustainable Energy Authority of Ireland. These include:

- Energy for Business Programme;
- Strategic Development Zones;
- Renewable Energy Research, Demonstration & Development Programme (RE RD&D);
- CHP & Bioheat Programme; and
- Ocean Energy

Over €17m is now allocated to these actions in the BMW region up to the end of 2012, while for the S&E region the figure is €46m. This falls somewhat short of the indicative targets originally set for this category of expenditure in the Regional OPs.

Many of the energy sectors previously grant aided from public funds are no longer supported in this manner and are not amenable to co-financing. There will be significant public investment in energy efficiency measures in the coming years, particularly in housing. This should be prioritised for co-funding and help Ireland to meet the target of 20% reduction in energy demand by 2020.

5. **Promoting climate change adaptation, risk prevention and management**

The proposed focus on energy efficiency in the Regional OPs 2014-2020 will make a contribution to this objective by helping to reduce Ireland’s Greenhouse gas emissions.

Renewable energy supply and demand should also be better linked and joined up and the use of co-operative or regional approaches might be facilitated. Short rotation forestry, energy crops or agro forestry can aid in the replacement of fossil fuels and energy intensive materials. In terms of bioenergy production under the current RDP, some problems have been experienced in relation to miscanthus in recent times, and it may be the case that willow in particular has a greater potential in terms of uptake. These factors must all be considered in any analysis of bioenergy schemes and renewable energy production.

6. **Protecting the environment and promoting resource efficiency**

There has been a diverse range of investments related to this thematic objective, in particular under the Regional Operational Programmes 2007-13, including:

- Rural Water Programme (BMW only);
- Water Services Investment, including Water Conservation (BMW only);
- Natural and Built Heritage (BMW only);
- Waste Management (BMW only); and
- Urban Regeneration (both Regions).

Both Regional Operational Programmes included provision for a Rural Water Source Protection Programme and a Village Sewerage Scheme. These schemes were not co-financed in the S&E OP.
The urban regeneration projects co-financed under the ERDF Gateways and Hubs Scheme, are now substantially completed. Approximately €76m has been spent on projects under these schemes. Projects were delivered in the nine Gateways across both regions and in the five BMW Region Hub Towns under the Regional Programmes.

Cohesion Policy stresses the role of urban investment in support of territorial cohesion with urban centres recognised as the centres of economic growth. The success of the Gateway and Hubs initiative and the need for further targeted investment to support the social and economic regeneration of key growth centres points to the value of including integrated urban development measures in the 2014-2020 OPs. This will also ensure compliance with the regulatory requirement for a minimum of 5% of ERDF resources to be applied to sustainable urban development.

Drawing on the experience of support for agri-environment schemes in the previous RDP period, a number of design features have been put in place to ensure that the environmental benefits accruing from the RDP are maximised. These design features include:

- a tiered structure allowing for general environmental needs to be addressed at one level while more targeted needs can also be addressed
- the introduction of mandatory requirements in relation to record keeping, the involvement of a planner, the use of a nutrient management plan and knowledge transfer
- a new focus on requiring farmers to undertake the actions of most benefit to their holding, and
- a recognition of the constraints on farmers in Natura 2000 areas and the importance of addressing particular habitat and biodiversity threats.

Experience has also shown that targeted-output schemes are relatively costly to implement, particularly in comparison with action-based measures. The main difference is the high degree of administrative effort required to manage the schemes locally.

Experience from the REPS4 traditional buildings grant scheme has shown it is possible to foster the passing on of traditional skills, through empowering owners, allowing them to continue to be the curators or guardians of these buildings. These skills are then available locally for other buildings, both on- and off –farm. The project buildings serve as exemplars for the repair of others on the farm, and indeed in the rural locality.

The measure seeks to get farmers to put a cultural value on their buildings, which may otherwise be neglected or demolished. It will encourage them to utilise resources at their disposal, to engage with their buildings and landscape. By connecting the owner with the buildings in this way it improves their chances of being cared for and lasting into the future, thereby ‘futureproofing’ them. The cross compliance with wildlife legislation will ensure the discovery and conservation of protected wildlife species roosting in these buildings thereby creating a holistic approach to the management of the built and natural environment.
7. **Promoting sustainable transport and removing bottlenecks in key network infrastructures**

Under the 2007-13 Regional Operational Programmes, the following investments have taken place:

- Public Transport;
- Key Linking Roads (BMW only); and
- Sustainable Transport.

Under sustainable transport a comprehensive cycle lane network has been installed in Mullingar and a multi-use transport corridor (including bus and cycle lanes) has been developed along the Seamus Quirke/Bishop O’Donnell Road in Galway City. In the S&E OP sustainable transport investment has taken place in Limerick through the Smarter Travel Demonstration Area Project being delivered by the newly amalgamated Limerick City and County Councils in partnership with the University of Limerick (UL).

Major transport infrastructure is not considered a priority for co-funding under the 2014-2020 programmes.

8. **Promoting employment and supporting labour mobility; 9 Promoting social inclusion and combating poverty; 10 Investing in education, skills and lifelong learning**

The ESF HCIOP 2007-2013 responded very flexibly and quickly to the changed economic and labour market situation in Ireland and delivered strong support to the unemployed through labour market activation investments as well as education and training to upskill and re-skill people for job opportunities.

Activities/measures under this TO need to have flexible implementation models to react in a timely and/or innovative fashion to any changed circumstances.

Experience suggests that a Simplified Cost Option model for claiming Indirect Costs would be resource and time efficient and that efficient and comprehensive data collection methods should be prioritised.

In relation to TO9, a community led approach will be a critical component of this reformed system to support local development. The system will rely heavily on the experience of the CLLD/LEADER approach, as it has been delivering successful rural development interventions in Ireland since the 1990s, and will facilitate full and active participation of local communities in their development choices. However, what the system will also do is ensure that all interventions are planned in a way that will contribute to addressing the needs identified at national, regional and local level in a more comprehensive and practical way.

Ireland has benefited from participation in a range of EU schemes and supports and these continue to be a key support in rural Ireland. For example, direct payments contribute to the viability of existing farmers. The Single Farm Payment increases income and reduces income...
variability which is positive in relation to risk management as noted by the OECD.41 Furthermore, participation in previous EU funded schemes and measures has provided DAFM with a valuable learning experience in a range of policy areas such as facilitating early retirement of older farmers and the installation of young farmers.

All planning processes will be participative and will facilitate a greater understanding at local level of the need to address local needs while simultaneously considering regional and national priorities. Ireland would consider this a significant opportunity to support the future economic development of local areas and in particular rural areas supported through the EAFRD.
1.1.5 Other national, regional, macro-regional and sea-basin strategies which are relevant to Ireland’s NRP and to thematic objectives

Ireland has developed a number of other key national strategies to ensure that the objectives laid down in the National Reform Programme are met. The EU Structural and Investment Funds allocated to Ireland will complement National investments and contribute to meeting these targets. Some of the National Strategies are outlined below:

1. Delivering a Connected Society - A National Broadband Plan for Ireland

The Irish Government’s National Broadband Plan (NBP) is a clear expression of the importance of ubiquitous quality broadband to the achievement of Ireland’s economic and social objectives. The NBP outlined the Government’s commitment to deliver high speed broadband availability across the country and reflects Government and European objectives to deliver high speed services to all citizens.

Ireland’s widely dispersed population and topography presents a very specific challenge in delivering universal quality high speed broadband. Average Irish population density is 66 per km² and compares to an EU average of 120 per km². In rural areas, however, the Irish average is 26 per km². This means that there are many areas where it is simply not viable for the commercial sector to provide services. In very remote areas, the challenge is exacerbated.

The acceleration of private commercial investment to date is contained largely to the large urban centres. The net effect is that the digital divide between urban and semi-urban/rural areas is being exacerbated, creating very real and tangible social and economic disparities. Consequently, broadband coverage and quality outside Ireland’s large urban centres remains very poor. This further highlights the need for an appropriate State intervention which addresses the digital divide in a meaningful and sustainable way.

The NBP set out an ambitious strategy to deliver quality high speed broadband across Ireland and focused on facilitating delivery of specific download speeds. Delivery of the objectives of the Plan was to be achieved through a combination of:

- ensuring the environment is right to maximise investment by the private sector; and
- a State led intervention in those areas where it is evident that the market will not deliver.

The previous State intervention, the National Broadband Scheme (ERDF assisted) introduced in December 2008, while successfully providing basic broadband services to customers in rural areas has been limited by contracted speeds and the technology deployed. While this model was considered adequate at the time of its development, it will not be capable of meeting the increasing demands and new applications that have emerged since its inception. A replication of this model runs the significant risk of being limited by a speed target and requiring continuous further intervention to meet future demand.

In order to definitively address the quality broadband challenges faced by Ireland, a long term future-proofed solution which will address areas of market failure while at the same time promoting efficient investment by industry players is required. It is considered that the proposed infrastructure build-out with fibre as the foundation will address a number of current and future challenges including:

- the ability to meet exponential demand for bandwidth arising from a greater number of connected devices, users and online services;
- the need for quality broadband to support internationally traded services which will represent 70% of Ireland’s exports by 2025 (ESRI);
- the need to stimulate and enable trading online for smaller businesses;
- increasing requirements for home-working with some FDIs demanding minimum home speeds as a prerequisite for employment;
- the need to roll out cost effective business and Government services to citizens over broadband networks;
- the explosion in broadband enabled home entertainment which is putting pressure on networks; and
- the eradication of the increasing digital divide between urban and rural parts of the country and the achievement of balanced regional development.

Ireland’s national broadband plan proposes a minimum speed of 30 Mbps in remote areas and 40 Mbps / 70 Mbps in more populated areas. With the attainment of this goal, Ireland can meet the European Commission’s Digital Agenda for Europe target of 100% coverage over 30 Mbps by 2020.

This proposed intervention will involve an end-to-end strategy for the delivery of quality and reliable high speed broadband that includes a major fibre build-out to rural areas. By focusing on a long term, future-proofed infrastructure build with fibre as the key component, the intervention will ensure that the solution delivered is capable of scaling up to meet future demand and will address current connectivity challenges in a meaningful and sustainable way.

A comprehensive mapping process is underway to definitively assess where the commercial sector will provide high speed broadband over the coming years. This will identify those areas where a State intervention will be necessary.

To date, over 1,000 locations have been identified as target areas for the proposed fibre based connections as part of the State intervention under the National Broadband Plan. It is subject to completion of the comprehensive mapping process currently underway. Further locations may be identified as the mapping process continues. Similarly, it may be determined that some of the locations will be addressed by the commercial sector and accordingly will not require a State intervention.

Intensive design work is continuing with a view to publishing an end to end implementation strategy later this year, together with the outcome of the ongoing mapping exercise which will
identify those areas that require intervention. A full public consultation will take place once the strategy is published.

As identified in the Action Plan for Jobs 2014, enhancing Ireland’s ICT infrastructure is particularly important to growing productivity and supporting the development of high growth sectors in regional locations. The state led intervention will be future-proofed infrastructure built with fibre as the key component which will enable significant new capabilities to be brought to the market in terms of broadband service availability, capacity, speeds and competition.

2. Doing more with Digital - National Digital Strategy for Ireland
Digital contributes 4.4% to Ireland’s GDP. The digital part of the economy in Ireland is growing at 16% per year – that is more than 10 times the rate of growth of the economy as a whole. Digital already supports almost 95,000 jobs both directly and indirectly in the Irish economy. These employment levels and positive growth prospects underline the importance of ensuring that digital is at the heart of Ireland’s economic agenda.

In its simplest definition, digital is the use of online technology and ICT to enable Government, Business and Individuals to deliver, participate and inform themselves across a vast multitude of economic and social areas. Beneath this simple definition lies a huge level of opportunity to create jobs and improve productivity, service delivery and quality of life in all its various forms.

The National Digital Strategy is a foundation step in helping Ireland to reap the full rewards of a digitally enabled society. It is part of the overall Government commitment to a more digitally empowered society which involves a suite of complementary national measures. These include the National Broadband Plan, the National Payments Plan, the Action Plan for Jobs, the eGovernment Strategy and the eHealth strategy currently being developed by the Department of Health. These strategies will be enhanced by the digital engagement measures outlined in this first phase of the National Digital Strategy.

The first phase of the National Digital Strategy focuses on “doing more with digital”. It sets out a vision, and a number of practical actions and steps to encourage and assist more people and more small businesses to do more online. The digital skills a citizen needs will vary depending on their circumstances and may range from simple communication skills (email, social networking, information search, online transactions) to higher level skills for those seeking employment. The strategy outlines digital skills training initiatives to upgrade skills of citizens as appropriate.

The specific measures which the strategy commits to implementing over the next two years can be grouped under the following headings:

- Cross-Government measures

34 http://www.dcenr.gov.ie/NR/rdonlyres/54AF1E6E-1A0D-413F-8CEB-2442C03E098D/0/NationalDigitalStrategyforIreland.pdf
• Trading online and Entrepreneurship
• Citizen Engagement
• Education & Learning

An important element in driving the demand for digital technology and skills is the level of interaction which the Government sector has with the provision of online services and information.

The eGovernment Strategy35 (published by the Department of Public Expenditure and Reform) aims to improve the use of technology and in so doing, improve service delivery to customers of Government services. It sets out eight priority actions, including use of new and emerging technologies; designing eGovernment around customer needs, steps to improve take-up, ensuring that public data is available for re-use, use of e-Identification and back-end integration.

Steps to improve take-up of online public services outlined in the strategy centre around raising awareness of which services are available online and provide incentives to encourage citizens and businesses to use the eGovernment channel.


The National Spatial Strategy (NSS)36 provides a twenty-year planning framework aimed at achieving a better balance of social, economic and physical development and population growth across the regions.

The NSS represents an important territorial development framework and defines a long-term spatial development strategy, to which other national policies should adhere. The NSS calls in particular for a focussing of investment around a network of nine competitive Gateways, supported by an additional nine Hub towns as well as other large towns in order to drive the development of their wider regions.

The NSS recognises the divergent levels of economic growth between and within the BMW and Southern & Eastern Regions and underlines the importance of more balanced regional development as a policy priority. The NSS sees population growth as a key asset which can be harnessed in order to achieve balanced regional development, which will depend on building strong urban structures to accommodate this population growth right across the country.

36 http://nss.ie/pdfs/Completea.pdf
The NSS underlines the importance of the Gateways as drivers for regional growth, recognising that this growth is mainly generated by urban centres. It stresses the importance of enhancing the role of the Gateways in regional areas in order to provide balanced growth within Ireland. This forms the basis for the inclusion of an urban development priority in both Regional OP’s in order to strengthen the capacity of the designated growth centres in the Regions to drive the region’s competitiveness growth and to counterbalance the spatial imbalances that currently exist in the regions.

4. **Harnessing Our Ocean Wealth - An Integrated Marine Plan for Ireland**

Harnessing Our Ocean Wealth\(^{37}\) (published in 2012)) (HOOW) is Ireland’s first Integrated Marine Plan (IMP), setting out a roadmap for the Government’s vision, high-level goals and integrated actions across policy, governance and business to enable Ireland’s marine potential to be realised. In Implementing the Plan, Ireland has been gradually developing an integrated system of policy and programme planning for marine affairs. The Plan is being delivered within the over-riding medium-term fiscal framework and budgetary targets adopted by the Government.

The vision and goals presented in Ireland’s IMP have been framed within the context of what is happening at the broader global and EU levels, particularly the Integrated Maritime Policy for the European Union, recognising the contribution the ‘blue economy’ can make to global economic growth and the need for appropriate policies, strategies and funding mechanisms to enable this. Ireland’s IMP also mirrors the IMP-EU by addressing crosscutting issues such as:

- marine spatial planning;
- integrated maritime surveillance, security and safety;
- blue growth (economic growth based on different maritime sectors);
- marine knowledge, data and mapping; and
- healthy marine ecosystems, implementing the MSFD objectives, including the sustainable management of marine activities.

Similar to the Integrated Maritime Policy for the EU, Ireland has put in place a range of integrated actions across all relevant policy areas related to the seas; including transport, environment, renewable ocean energy, enterprise, employment, research, fisheries and external relations.

Some themes from the IMP may be supported under the EMFF OP. The elements identified aim to support coastal communities, fisheries, aquaculture, Enforcement and Control, Data Collection Framework, Natura, MSFD, and Integrated Maritime Policy. The exact focal points/areas to be funded have yet to be finalised.

Some themes in the Plan are also taken up in the RDP 2014 – 2020. For example, the new Agri-Environment Schemes will deliver substantial biodiversity and other environmental benefits, including in Natura 2000 areas by improving water management, including fertiliser and pesticide management, which will have a knock on effect on marine waters.

As in previous programmes it is expected that there will be a high rate of take-up of the Agri-Environment schemes among farmers on the Western Seaboard and a new category of support under the Areas of Natural Constraint Schemes will be introduced in 2015 to specifically compensate for the particular challenges faced by Island Farmers. The tourism theme will again be taken up by the LEADER programme.

5. Atlantic Action Plan

The Atlantic Action Plan aims to revitalise the marine and maritime economy in the Atlantic Ocean area. It shows how the EU’s Atlantic Member States, their regions and the Commission can help create sustainable growth in coastal regions and drive forward the "blue economy" while preserving the environmental and ecological stability of the Atlantic Ocean.

The Action Plan encourages Member States to work together in areas where they were previously working individually. They will now be able to share information, costs, results and best practices, as well as generate ideas for further areas of cooperation of maritime activities.
This includes both traditional activities, such as fisheries, aquaculture, tourism and shipping, as well as emerging ones such as offshore renewables and marine biotech. The Action Plan considers responses to the challenges of delivering growth, reducing the carbon footprint, using the sea's natural resources sustainably, responding effectively to threats and emergencies and implementing an "ecosystem" management approach in Atlantic waters. The priorities are to:

- Promote entrepreneurship and innovation;
- Protect, secure and enhance the marine and coastal environment;
- Improve accessibility and connectivity;
- Create a socially inclusive and sustainable model of regional development;

The agreed actions will focus on growing the tourism market, meeting the increasing demand for offshore installations, improving education and training in traditional and emerging maritime industries, as well as extending cooperation in the field of oceanic research in order to better assess climate change impacts.

6. Sustainable Development

Future investment in transport infrastructure will be considered as part of the national programme of investment in infrastructure. This will form part of the review of capital expenditure, along with other key elements of our infrastructure such as water services, rural development, housing, urban regeneration, energy, communications, enterprise support, health and education.

In the area of water services, for example, a new company Irish Water\(^{38}\) has been established and on 1 January 2014 took responsibility for the delivery of water services in Ireland including responsibility for the delivery of water services capital infrastructure. It will take approximately five years for Irish Water to be fully established, at which point it will be responsible for the operation of public water services including management of national water assets, maintenance of the water system, investment and planning, managing capital projects and customer care and billing.

Sustainable Development will be at the core of our development strategy, recognising that economic growth, social cohesion and environmental sustainability must be advanced in a mutually supportive way. Our commitment to sustainable development, and the associated economic benefits, is set out in the Government’s strategy “Our Sustainable Future”.

A number of the submissions received through the public consultation highlight the need for investment on sustainable coastal development, coastal erosion defences and flood prevention.

\(^{38}\) http://www.water.ie/about-us/about-irish-water/
7. **Ireland’s Peatlands**

Following approval by Government, the Minister for Arts, Heritage and the Gaeltacht published the long-term strategic plan for Ireland’s Peatlands in January 2014. The peatlands have been altered by human activity over the centuries but they remain areas of unique, if threatened, habitats. Ireland needs to protect and preserve a sample of these for future generations, whilst also working with communities that are affected by conservation requirements. Three strategic documents set the vision for the protection of Ireland’s unique bog habitats:

- a draft National Peatlands Strategy\(^\text{39}\)
- a draft National Raised Bog Special Areas of Conservation (SAC) Management Plan\(^\text{40}\) and
- a Review of Raised Bog Natural Heritage Areas (NHAs)\(^\text{41}\).

The draft National Peatlands Strategy, sets out a cross-governmental approach to managing peatlands including compliance with EU environmental law, climate change, forestry, flood control, energy, nature conservation, planning, and agriculture. The strategy also sets out proposals for the development of a new regulatory regime for turf contractors. Responsible management of peatlands requires collaboration and partnership between land-owners, communities, public authorities, commercial organisations and non-governmental organisations. This Strategy aims to ensure that appropriate supports, structures, funding mechanisms and regulatory frameworks are in place to allow such partnerships to develop.

The draft National Raised Bog Special Areas of Conservation (SACs) Management Plan provides for the future restoration and management of the 53 raised bog SACs. The draft sets out the approach to how each of the raised bog SACs is to be conserved and restored and how the needs of turf-cutters can be addressed. The draft plan also proposes that a number of Bord na Móna owned bogs be put forward as compensatory SACs to make up for the loss of habitat through turf-cutting since the SACs were originally nominated for designation.

The Review of Natural Heritage Areas (NHAs) sets out a significant reconfiguration of Ireland’s NHA raised bog network to meet conservation targets whilst reducing the impact on the taxpayer by ensuring that the smallest number of turf cutters are impacted.

The combined strategies, which have been subject to extensive consultation, are being finalised by the Department of Arts, Heritage and the Gaeltacht. Once agreed, they will consolidate the progress made to date and ensure the preservation and restoration of the most valuable bog habitats. The Department of Arts, Heritage and the Gaeltacht has estimated that the cost of delivering these strategies for raised bog restoration will be of the order of €25m over ten years. Funding for the initial period will be provided in the Revised Estimates Volume due to be published before the end of 2014.


\(^{41}\) [http://www.npws.ie/media/npws/Final%20NHA%20Review%2017%20January%202014.pdf](http://www.npws.ie/media/npws/Final%20NHA%20Review%2017%20January%202014.pdf)
8. Waste Management Policy
The National policy on waste management is set out in A Resource Opportunity\(^\text{42}\), published in July 2012, and which sets out the measures through which Ireland will make the further progress necessary to become a recycling society, with a clear focus on resource efficiency and the virtual elimination of landfilling of municipal waste.

9. EU and International Dimension
As a small open economy, our relations within Europe and across the world are crucial to our economic prosperity. A successful, well-functioning European Union is essential to the performance of the Irish economy, particularly given the on-going deepening of Economic and Monetary Union in the areas of fiscal policy and banking.
The efficiency and effectiveness or otherwise of measures agreed at EU level impacts directly on a myriad of sectors of the Irish economy ranging from agriculture and food, to financial services. A growing Europe is central to demand for Irish goods and services; the EU is the destination for more than half of Ireland’s exports and the source of more than half our imports.

10. Disaster Risk Prevention and Management
The Government Task Force on Emergency Planning oversees the emergency management activities of all Government ministries and public authorities. The Office of Emergency Planning (OEP)\(^\text{43}\) is responsible to the Minister for Defence for the coordination and oversight of emergency planning.
The OEP chairs the Inter-Departmental Working Group on Emergency Planning (IDWG). The IDWG comprises officials representing Government ministries and public authorities with lead or principal support roles in Government emergency management. The Government Task Force charges the IDWG with carrying out specific studies and developing particular aspects of emergency management.

In the event of a major emergency, the coordination structures are enacted. Coordination centres can be established at the site, locally, regionally and nationally. The Framework recognises that coordination is a specific function in emergency management, and the coordination task is assigned to the lead agency in the local and regional response and the lead Government ministry at national level. For local and regional response, the determination of the lead agency is set out in the Framework based on the incident type.

The lead ministry is pre-determined by incident type based on the Office of Emergency Planning’s Strategic Emergency Planning Guidance. Ireland has developed a national risk register to:
- Contribute to creating a more comprehensive risk assessment and a shared understanding of the national-level/societal challenges to be addressed;

\(^\text{43}\) [http://www.emergencyplanning.ie/](http://www.emergencyplanning.ie/)
• Build on the significant inter-agency work that has already been completed at the local and regional levels under the provisions of the 2006 document “A Framework for Major Emergency Management”
• Help to compare various types of hazards from a national/societal perspective, allowing for all risks to be assessed based on the same pre-agreed likelihood/impact criteria;
• Provide an agreed basis for establishing priorities in emergency management which will facilitate cross-sector coordination and ensure an appropriate balance of measures to prevent and/or mitigate risks;
• Ensure compliance with European Union (EU) requirements that Member States develop a national risk management strategy which will support an EU approach to the prevention and management of natural and man-made disasters.

The structures in place provided the framework for responding to the recent flood damage in Ireland.

11. Local Government Reform
In 2012, the Government published an action programme for local and regional government reform measures, contained within the reform programme ‘Putting People First: Action Programme for Effective Local Government’. This programme is intended as a comprehensive mechanism for the reform of local government in Ireland and was given legislative effect under the Local Government Reform Act 2014. Further information on this initiative and its impact on CLLD is contained in Section 3.1.1.

1.2 Summary of the ex-ante evaluations of the programmes

Overview

The Irish Government strongly believes that evaluation is a vital element of the application of economics in public policy, and that was a key consideration when we established the Irish Government Economic and Evaluation Service (IGEES) in 2012. Evaluation has been placed front and centre in this new service, which has been designed to increase the economic capacity and to embed the principles of evaluation right across the policy system. Economics is concerned with the allocation of scarce resources; and evaluation is fundamental to understanding how best to share limited resources to get the best results. Evaluation is at the core of building and gathering the evidence needed to ensure that the best policies are developed and public services are delivered in the best way.

The terms of reference of ex-ante evaluations were in line with article 55 of the Common Provisions Regulation. The principal role of the evaluations is to improve the quality of the design of each Operational Programme, and it is a requirement that all Operational Programmes be subject to Ex-Ante Evaluations. As specified under Article 55 of the Common Provisions Regulation (CPR), the Ex Ante Evaluation is required to appraise:

a) the contribution to the Union strategy for smart, sustainable and inclusive growth, having regard to the selected thematic objectives and priorities, taking into account national and regional needs and potential for development as well as lessons drawn from previous programming periods;

b) the internal coherence of the proposed programme or activity and its relationship with other relevant instruments;

c) the consistency of the allocation of budgetary resources with the objectives of the programme;

d) the consistency of the selected thematic objectives, the priorities and corresponding objectives of the programmes with the CSF, the Partnership Agreement and the relevant country specific recommendations adopted in accordance with Article 121(2) TFEU and where appropriate at national level, the National Reform Programme;

e) the relevance and clarity of the proposed programme indicators;

f) how the expected outputs will contribute to results;

g) whether the quantified target values for indicators are realistic, having regard to the support envisaged from the ESI Funds;

h) the rationale for the form of support proposed;

i) the adequacy of human resources and administrative capacity for management of the programme;

j) the suitability of the procedures for monitoring the programme and for collecting the data necessary to carry out evaluations;

k) the suitability of the milestones selected for the performance framework;

l) the adequacy of planned measures to promote equal opportunities between men and women and to prevent any discrimination, in particular as regards accessibility for persons with disabilities;

m) the adequacy of planned measures to promote sustainable development.
n) measures planned to reduce the administrative burden on beneficiaries”.

Ex-ante evaluations were carried out for the EAFRD\textsuperscript{45}, ESF\textsuperscript{46} and ERDF\textsuperscript{47} programmes in Ireland. The assessment contained in this section is based on the findings of these evaluations. The ex-ante evaluators generally concluded that the proposed priorities for ESIF Funding and the selection of thematic objectives has been consistent with the main development needs of the Member State/regions.

The key overarching priorities for Government as Ireland emerges from the crisis are promoting growth and competitiveness and tackling unemployment and the social consequences of the crisis. The ex-ante evaluations are broadly supportive of the funding priorities identified for Ireland’s ESI Fund programmes which also take account of these primary priorities and are consistent with the Europe 2020 Strategy, the National Reform Programme, the priority areas identified in the 2012 and 2013 Annual Growth Surveys; and Commission position paper.

The National Conclusions drawn from the ex-ante evaluations are that the proposed funding priorities for the 2014-2020 period should support:

- promoting jobs and growth;
- combating unemployment and social exclusion;
- promoting R&D and ICT investment and the competitiveness of the business sector; and
- promoting an environmentally-friendly and resource-efficient economy.

The Evaluators have concluded that the overarching priorities selected, the thematic objectives and the funding priorities are appropriate and will make a contribution to the Europe 2020 Strategy for smart, sustainable and inclusive growth.

The ex-ante evaluators have generally concluded that the financial allocations are consistent with the objectives set out in the programme and should facilitate the achievements of the results sought. However, it is noted that flexibility is an important requirement to allow re-

\textsuperscript{45} Fitzpatrick Associates - Rural Development Programme 2014-2020 - Ex-Ante Evaluation Report to Department of Agriculture, Food and the Marine - June 2014
\textsuperscript{47} RS McClure Watters - Ex Ante Evaluation Report on the Border, Midlands & Western Regional Operational Programme 2014-2020 - July 2014
allocations, as appropriate, including as a result of significant socio-economic changes, from activities that are found to be ineffective or to enhance or increase supports for more effective interventions.

The ex-ante evaluators have concluded that the selected thematic objectives are consistent with the CPR (including the Common Strategic Framework), the Partnership Agreement and the relevant country-specific Council recommendations under Article 121(2) TFEU, and where appropriate at national level, the National Reform Programme.

Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.

1.2.1 National conclusions drawn
The ex-ante evaluators generally concluded that the proposed priorities for ESIF Funding and the selection of thematic objectives has been consistent with the main development needs of the Member State/regions.

The key overarching priorities for Government as Ireland emerges from the crisis are promoting growth and competitiveness and tackling unemployment and the social consequences of the crisis. The ex-ante evaluations are broadly supportive of the funding priorities identified for Ireland’s ESI Fund programmes which also take account of these primary priorities and are consistent with the Europe 2020 Strategy, the National Reform Programme, the priority areas identified in the 2012 and 2013 Annual Growth Surveys; and Commission position paper.

The National Conclusions drawn from the ex-ante evaluations are that the proposed funding priorities for the 2014-2020 period should be:

- promoting jobs and growth;
- combating unemployment and social exclusion;
- promoting R&D and ICT investment and the competitiveness of the business sector; and
- promoting an environmentally-friendly and resource-efficient economy.

Pursuit of these priorities will support Ireland in achieving its national targets set out in the NRP 2014, addressing the latest CSRs published in June 2014 and contributing to the EU2020 targets of smart, sustainable and inclusive growth.

EAFRD Ex ante Evaluation
The ex-ante evaluation is broadly supportive of the emerging proposals regarding the aims, focus, priorities and financial balance of the draft 2014-2020 Rural Development Programme (RDP) in Ireland. It has emerged from a strong and considered assessment of the agricultural
and rural context, and from a detailed and objective examination of needs, both general and also specifically in relation to the six areas identified as Union priorities for rural development in the Regulation.

Entering the next multiannual programming period, the ex-ante evaluation considers that the overriding priorities for Ireland’s agricultural and rural economy are to maximise their delivery of employment, output and exports so as to spearhead indigenously-driven economic recovery following the economic crisis and recession, to increase the environmental efficiency and sustainability of agriculture and reduce its impact on natural resources and biodiversity, to increase the value added of the sector through enhancing research, shared knowledge and supply structures, and to drive socio-economic development and enhanced quality of life in rural areas. These are all appropriately reflected in the draft Programme’s priorities and intervention proposals, and through the identification of specific needs, opportunities and proposed responses that give detailed effect to these strategic goals.

In its specific proposals on EAFRD-supported interventions, the ex-ante evaluation considers that the emerging Programme responds in a balanced way to these overriding aims, and to the full set of Union priorities and focus areas. In several respects it does so through restructured and/or remodelled versions of previous interventions modified to reflect contemporary needs and challenges, and in others through showing a commendable appetite for delivering new schemes and interventions appropriate for current and emerging needs. In both sets of cases a focus on targeted delivery, on ongoing monitoring and evaluation that feeds back into design and delivery, on flexibility, on ambition in achievement and on value for money will ensure overall Programme effectiveness and long-standing achievements. In some of these areas, including the establishment of performance measurement and monitoring frameworks, in evaluation planning, and in target setting, much important preparatory and planning work is still not yet complete.

**ESF Ex ante Evaluation**

The evaluators consider Ireland’s experience of extreme economic recession and stagnation since 2007/8 as the most pressing and immediate context for ESI support for 2014-2020, and addressing its marked negative social and labour market impact is considered the priority for ESF focus.

In this regard, unemployment, up-skilling and re-skilling, labour market activation, youth unemployment, accessing educational opportunities, matching labour market supply with demand, and addressing social exclusion priorities that include the needs of those for whom unemployment and long-term unemployment are at its core, are correctly the legitimate and warranted focuses of a new multi-annual programme.

Additional priorities relate to long-standing challenges that are less responsive to the particular phase of the economic cycle but equally important, including the promotion of equal opportunities, the empowerment of the long-term disadvantaged, heightening education
levels both generally and in specific disciplines, meeting the long-term skill needs of the economy, and effectively tackling poverty.

The evaluators consider that the draft proposals for the 2014-2020 ESF Employability, Inclusion and Learning OP, at least at its outset, respond broadly to these priorities. However, important determinants of its impact and long-term legacy are considered likely to include its flexibility to changing circumstances and priorities, its focus on verifiable, objective and real impacts at every level, its ability to provide genuine additionality and added value to mainstream policy including through the adoption of innovative approaches, and its scope to learn from and respond effectively to implementation challenges and lessons at all stages. Consequently a level of flexibility will be desirable throughout its implementation to respond to likely changing needs of economic recovery over the 2014-20 period as a whole, and mechanisms to achieve this should be built into the programming including a very significant mid-term review.

**ERDF ex ante Evaluation**

In recognition of the challenges facing the country as we emerge from the financial crisis, the evaluation has identified that the key priorities for ERDF investment must be focussed on enterprise support and job creation. Therefore, the evaluator considers that the draft proposals for the ERDF operational programmes are consistent with this overarching focus.

The priorities proposed by the RTDI priority reflect that there should be a greater emphasis on utilising the existing research facilities to further increase the levels of research activity, with enhanced industrial linkages and partnerships and commercial exploitation, aligned with RIS3/Research Prioritisation Exercise. The focus should also be broadened to include industry-led R&D investment to boost BERD levels across Ireland.

The roll-out of the Next Generation Broadband plan will assist enterprises in the most disadvantaged parts of the country to compete on a level playing field in terms of bandwidth availability. In line with the National Digital Strategy priorities, this will support small businesses trading online, growing and creating jobs, help more people get online and benefit more from the internet and improve education and learning through more use of digital resources.

The co-funding of supports for Enterprise Ireland and Local Enterprise Offices will generate substantial numbers of new jobs in SMEs. The proposed energy efficiency measures are widely recognised to be labour-intensive in a sector with high unemployment. The proposed urban measures will support integrated social and economic actions in deprived urban areas.

**EMFF**

Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.
1.2.2 Contribution to the Union strategy for smart, sustainable and inclusive growth

Operational Programmes (OPs) have been designed to address the development needs and growth potentials set out in Section 1.1.2.3 of this document. Independent ex-ante evaluations of the OPs funded by each fund (EAFRD, ESF, ERDF, and EMFF) were carried out as part of the preparation of the programmes in order to improve the quality of the design of each programme, and verify whether its objectives and targets can be reached. A summary is set out below of the findings of the ex-ante evaluators in relation to their contribution to the Union strategy for smart, sustainable and inclusive growth.

**Summary**
The Evaluators have concluded that the overarching priorities selected, the thematic objectives and the funding priorities are appropriate and will make a contribution to the Europe 2020 Strategy for smart, sustainable and inclusive growth.

### EAFRD

The ex-ante evaluation considers that the emerging Programme has the capacity to make a strong contribution to Europe 2020 goals and targets. Its responsiveness to the overriding priorities and needs it has identified in a specific Irish context, aligns it quite distinctively with the overriding Europe 2020 priorities of smart, sustainable and inclusive growth, and it incorporates interventions and actions that will drive each of these priorities both individually and collectively.

Among Europe 2020 targets it stands to contribute most in respect of employment, in climate change and energy efficiency, and to a lesser extent, to poverty reduction and social inclusion. The potential for direct and indirect employment creation and retention arises in supporting on-farm efficiency through investment support, as well as through the targeted support of collaborative farming, knowledge enhancement, quality schemes, sectoral supports and measures to capture opportunities in niche markets.

The ex-ante evaluation considers that promotion of agricultural practices that protect and improve the environment, and seek to support the realisation of water quality, climate change and biodiversity objectives should feature prominently within the Programme’s interventions and scope of influence. Positive enhancements to the efficiency and value added of primary production also have the scope to support wider rural development, to increase living standards within and outside the farming community, and together with the job creation, economic diversification, and community development potential impacts of the LEADER model, can support reduced rural poverty, isolation, social exclusion and emigration. Fulfilling these strong potential impacts on Europe 2020 targets and priorities calls much more for a strong and clear focus on ensuring effectiveness than any reprioritisation or rebalancing of proposed interventions.
ESF
On the basis of the draft Programme provided to the ex-ante evaluators, the evaluation concludes that the ESF Employability, Inclusion and Learning OP has the capacity to make a strong and direct contribution to the Europe 2020 Strategy, and particularly in supporting Ireland’s contribution to its specific aims and targets that relate to employment, education and tackling poverty and social exclusion. The draft Programme has a strong focus on access to employment, on the labour-market activation of those inactive, on up-skilling the unemployed and in supporting labour mobility.

All of these are appropriate in the face of the labour market challenges Ireland needs to address following the economic crisis, and are also directly aligned with the Europe 2020 targets for increasing employment.

The portfolio of interventions likely to be supported under the OP, and the financial emphasis it will place on actions addressing unemployment and barriers to employment growth, ensure a strong strategic alignment with both national needs and EU priorities in this regard. Specific proposals under the Youth Employment Initiative are equally strategically-appropriate, in the face of the high impact of the recession on the youth labour market in Ireland, and the increasing rate of long-term unemployment amongst young people.

Thematic Objectives in the OP also align strongly to the other Europe 2020 objectives and targets most relevant to ESF support. The third Thematic Objective brings a focus on education and life-long learning, with a mix of actions which will ensure age-appropriate interventions and a focus on educational achievements likely to enhance employment prospects. The second Thematic Objective ensures a significant focus is also put on social inclusion and tackling poverty, the other key Europe 2020 aim. Here, the draft OP intends to support a wide range of actions that specifically seek to meet the social and economic needs of specifically-disadvantaged groups, particularly through enhancing education levels and employment prospects, dovetailing appropriately with the key needs and strategic priorities the overall OP is seeking to address.

ERDF
The selection of thematic objectives within the draft Regional Operational Programme (2014-2020) is constrained by requirements for thematic concentration in more developed regions as set out in the Common Provisions Regulation (Article 9) and the ERDF Regulation (Article 4 and Article 7 (Para 4)); also by the investment priorities set out in the ERDF Regulation (Article 5).

The programme strategy has been modified and refined over time, taking into account feedback raised by the ex-ante evaluation team at various stages of the programme development process. It has drawn on a wide-ranging evidence base including socio-economic data, National and EU Policy context, stakeholder input and lessons learnt from the delivery of previous programmes and recommendations from previous programme evaluations.
This logical, well-reasoned approach has provided a strong base for the development of the programme’s intervention logic. Given the requirement for thematic concentration and the robust evidence base for the chosen thematic objectives and funding priorities, the ex-ante evaluators consider that the selection is appropriate. As the programme has been developed, the exact wording of the priorities and specific objectives has been refined to improve focus and clarity. This was supported through several rounds of feedback from the ex-ante evaluation team on the intervention logic of the operational programmes.

This has ensured that the programme is firmly rooted in the needs of and seeks to take advantage of opportunities in the programme regions.

The ex-ante evaluators found that the Europe 2020 strategy has been central to the programme development process and selection of operations including the extensive needs analysis with the objective of ensuring that the strategic choices made were justified and were consistent with the EU strategies of Smart, Sustainable and Inclusive Growth. The needs analysis included a review of the EU, National and Regional Strategies that underpin all of the Thematic Objectives. In particular, socioeconomic trends relevant to the Thematic Objectives for ERDF co-funding were also considered as a base for developing the programme. This analysis was supported by a strategic review of key strategies and frameworks carried out by the Ex Ante Evaluation team. This review was used to inform the work of programme developers throughout the development process and ensure the programme was developed in line with EU Strategic Frameworks, Regulations and Guidance. Therefore, the ex-ante evaluator is satisfied that the operational programmes will contribute positively to the EU2020 priorities for SMART, SUSTAINABLE and INCLUSIVE growth – particularly to the smart growth targets and to a lesser extent to the targets relating to sustainable and inclusive growth.

**EMFF**

Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.
1.2.3 Internal coherence of the programmes and their relation to other relevant EU and national instruments;

Operational Programmes (OPs) have been designed to address the development needs and growth potentials set out in Section 1.1.2.3 of this document. Independent ex-ante evaluations of the OPs funded by each fund (EAFRD, ESF, ERDF, and EMFF) were carried out as part of the preparation of the programmes in order to improve the quality of the design of each programme, and verify whether its objectives and targets can be reached. A summary is set out below of the findings of the ex-ante evaluators in relation to coherence of the programmes and their relation to other relevant EU and national instruments.

Summary
The ex-ante evaluators generally concluded that there is strong internal coherence in the programmes. They have also noted that there is evidence that the thematic priorities and activities to be financed will complement other EU and National policies.

EAFRD
Reflecting the range and diversity of the Union’s priorities for rural development as set out in the EAFRD Regulation, the ex-ante evaluation finds that the draft RDP comprises a wide and diverse scope of activity that includes, inter alia, on-farm capital investment, the training of agricultural advisors, to off-farm employment creation, to promoting environmentally-friendly farming practices. Reasonably strong internal coherence is nevertheless evident in that all activities contribute to overriding priorities that are consistent with EU goals as well as reflective of national and sectoral needs. Furthermore, while seemingly diverse, many measures share common goals and contribute quite directly to common policy priorities, albeit through different channels and means. Examples include the resource efficiency goal supported simultaneously by the proposed bioenergy scheme and the agri-environment and climate scheme, or the goal of enhancing farm viability and competitiveness supported simultaneously through on-farm investments, supports for collaborative farming, knowledge transfer and numerous other proposed interventions.

The evaluators found that coherence with wider EU and national instruments and policies is also evident in the proposals. As well as with Europe 2020 as described, there is a degree of consistency and complementarity with CAP Pillar I assured through its co-ordinated but differentiated regulatory framework. Actions and supports are also clearly supportive of the EU’s Climate Action policy framework for 2030 climate and energy targets. At national level the Programme dovetails with the “smart, green, growth” vision and goals of the Food Harvest 2020 strategy, the most relevant national strategy that will be pursued simultaneously.
The emerging Programme as presented to the evaluators exhibits strong internal coherence. There are considerable and important relationships between all four priority axes, which while having distinct objectives and foci (employment, social inclusion, education and youth employment respectively), each share, to a significant degree, common characteristics that each and together seek to maximise long-term social and economic advantages for target groups including:

- Supporting those most in need
- Labour market progression as the key enabler of the social and economic integration and progression of individuals and groups
- Encouraging sustainable labour market progression
- Life-long learning
- Youth and adult further education and training
- Labour market mobility

Internal coherence at implementation stage will benefit from co-ordinated targeting, for example through aligning the uptake of unemployed persons with skills and activation supports under Priority Axis 1, with socially-excluded individuals and those at risk of poverty by virtue of their unemployed status that are to be targeted under Priority Axis 2.

Coherence of the draft OP with wider EU and national instruments has also been a strong consideration in its preparation, and is an evident feature of the emerging Programme. The actions to be supported complement and address not only headline Europe 2020 objectives and targets in this areas of employment, education and social inclusion, but support wider Europe 2020 Flagship Initiatives and related EU goals and strategies in these areas (e.g. the Youth Guarantee, the EU Programme for Employment and Social Innovation).

Broad coherence with national instruments is also evident, for example with the national Action Plan for Jobs, with the upcoming strategy for Further Education and Training, with the wider national strategy of reforms in the areas of welfare to work (Pathways to Work Programme), and in the National Action Plan for Social Inclusion. This latter fact means that the OP will finance selected sub-sets of interventions under such national strategies, and hence involve an element of in-built coherence with them.

**ERDF**

The ex-ante evaluators assessed the internal coherence of the regional operational programmes as the programmes developed. This analysis sought to identify untapped potential for synergies and complementarities or reveal issues around potential negative overlaps between objectives. Feedback was presented to programme developers during the programme development process to assist them in making decisions about how to get the maximum impact from the different objectives of the programmes.
The assessment of internal coherence of the regional operational programmes and classifies the 7 specific objectives into four distinct groups:

- **Objectives with a high degree of influence** (x1) - Specific Objective 2 (a) to increase the provision of fibre optic links to all un-served towns and villages in the regions - considered to possess a higher capacity for exerting influence on others than the average while having a degree of sensitivity below average. They may be considered as the leverage points of the programme.

- **Sensitive objectives** (x2) – Specific Objective 3 (a) to support business start-ups and SMEs; and Specific Objective 6 (e) to support integrated urban regeneration initiatives - an above-average degree of sensitivity paired with a below average score of influence. Their achievement largely depends on the accomplishment of other objectives.

- **Strategic objectives** (x3) - Specific Objective 1 (a) to increase the level of research taking place in the regions; Specific Objective 1 (b) to increase the number of companies undertaking Industry R&D and commercialisation; and Specific Objective 3 (d) to increase the number of established SMEs accessing the supports and finance required for sustainability, internationalisation and growth-oriented actions.

- **Finally, located on the opposite end of the spectrum are neutral objectives** (x1) Specific Objective 4 (c) To improve energy efficiency in the housing stock - considered to have a higher degree of independence (defined by below-average influence and sensitivity) i.e. these are less likely to influence or be influenced by other objectives.

Given the common process by which the specific objectives have evolved (including their foundation in a robust evidence base (needs of the region), as well as their contribution to the EU2020 Strategy) it is anticipated that these will work together in a complementary and coherent manner.

**EMFF**

Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.
1.2.4 Consistency of financial allocation with the objectives set out in programmes

Operational Programmes (OPs) have been designed to address the development needs and growth potentials set out in Section 1.1.2.3 of this document. Independent ex-ante evaluations of the OPs funded by each fund (EAFRD, ESF, ERDF, and EMFF) were carried out as part of the preparation of the programmes in order to improve the quality of the design of each programme, and verify whether its objectives and targets can be reached. A summary is set out below of the findings of the ex-ante evaluators in relation to the consistency of financial allocations with the objectives set out in programmes.

Summary
The ex-ante evaluators have generally concluded that the financial allocations are consistent with the objectives set out in the programme and should facilitate the achievements of the results sought. However, it is noted that flexibility is an important requirement to allow re-allocations as appropriate, including as a result of significant socio-economic changes, from activities that are found to be ineffective or to enhance or increase supports for more effective interventions.

EAFRD
The evaluation supports the general balance of financial allocations in the emerging proposals. While pre-defined regulatory concentrations are met and in some respects exceeded, reaching appropriate scales, balancing provision with likely uptake, ensuring participation, and maximising impact are all important considerations that have been taken into account in proposing Measure allocations. Flexibility in numerous financial respects will be important to design into the Programme to ensure an appropriate balance and focus is maintained. The flexibility to re-allocate away from activities that are found to be ineffective will be important, as will be that to increase supports for effective actions. The ex-ante evaluation considers that an ability to rebalance or re-programme in the face of changing needs, economic developments or policy priorities will also be important, as will be the scope to enhance elements that prove successful through raised exchequer co-financing should national budgetary conditions improve significantly over the life of the programme.

ESF
The new Programme will involve a relatively large role for ESF co-financing within the Irish Partnership Agreement. The evaluation is broadly supportive of the emerging proposals regarding the balance of financial allocations at Priority Axis level in the draft ESF Programme, and finds that they are consistent with both the needs as evident for an economy and labour market only beginning to show tentative signs of emergence from severe recession, and with the wider EU and national policy context and focus.

Further refinement of the financial proposals for the proposed Programme will however need to ensure the maintenance of this balance and the achievement of sufficient scale at individual
action level for objectives and outcomes to be significant and meaningful, across the entire range of interventions supported. Similarly the Programme will need to remain flexible to respond to new priorities that changing socio-economic conditions are likely to warrant over the full 2014-20 period. Just as the 2007-13 OP had to adjust to the dramatically and negatively altered national economic and employment conditions that emerged mid-way through the Programme, so too it is likely that the pace of recovery and its implications may be dramatically different in the latter part of the current Programme period than they were at its outset.

**ERDF**
The evaluation supports the proposed general balance of financial allocations in the emerging proposals. The evaluation notes that the regulatory requirements and concentrations are being complied with. However, some modifications of the financial proposals for the proposed Programmes may be required to ensure an appropriate balance across the broad range of interventions to be supported. The Programmes must also retain flexibility to respond to new priorities that may emerge over the programming period. This flexibility enabled the 2007-13 regional operational programmes to respond to the challenges of the financial crisis.

**EMFF**
Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.
1.2.5 Consistency of the selected thematic objectives and main results with the CPR (including the Common Strategic Framework), the Partnership Agreement and the relevant country-specific Council recommendations under Article 121(2) TFEU, and where appropriate at national level, the National Reform Programme

Operational Programmes (OPs) have been designed to address the development needs and growth potentials set out in Section 1.1.2.3 of this document. Independent ex-ante evaluations of the OPs funded by each fund (EAFRD, ESF, ERDF, and EMFF) were carried out as part of the preparation of the programmes in order to improve the quality of the design of each programme, and verify whether its objectives and targets can be reached. A summary is set out below of the findings of the ex-ante evaluators in relation to the Consistency of the selected thematic objectives and main results with the CPR (including the Common Strategic Framework), the Partnership Agreement and the relevant country-specific Council recommendations and where appropriate at national level, the National Reform Programme.

**Summary**

The ex-ante evaluators have concluded that the selected thematic objectives are consistent with the CPR (including the Common Strategic Framework), the Partnership Agreement and the relevant country-specific Council recommendations under Article 121(2) TFEU, and where appropriate at national level, the National Reform Programme.

**EAFRD**

The draft RDP takes as its starting point the programming principles, features and requirements of the Common Provisions Regulation (CPR), and, nothing can be proposed which is considered at variance with the programming framework it espouses. The ex-ante evaluation found that proposals will explicitly support its thematic objectives concerning the competitiveness of the agricultural sector, the shift towards a low-carbon economy, promoting climate change adaptation, preserving and protecting the environment, and promoting both sustainable employment and social inclusion. Its strategic fit with the Common Strategic Framework is assured, firstly as already described in regard to both Europe 2020 and the CAP, but also through its alignment with the objectives of the Programme for the Environment and Climate Action. In its programming and preparation to date it has also observed the importance of principles set out in the CSF, including those of partnership, of sustainable development and of climate change adaptation and mitigation.

**ESF**

The ex-ante evaluation finds high levels of consistency between the draft ESF Programme and the CPR, CSF, Partnership Agreement and in most respects the National Reform Programme.
The core ambitions of the draft Programme are clearly and evidently in keeping with relevant thematic objectives as set out in the CPR, and nothing as yet proposed in regard to specific objectives, actions, financing, implementation modalities, or management proposals departs, in the evaluators’ view, from the principles laid out for these in the CPR.

As well as an appropriate strategic focus at its core, consistency with the CSF is evidenced in respect of principles of partnership, the promotion of equality and non-discrimination, accessibility for people with a disability, addressing demographic change, and with complementarity with wider EU policies and instruments of relevance.

The key priorities and actions that underpin Ireland’s National Reform Programme in the areas of employment, education and social inclusion, are also likely to be supported through, and in strategic and operational alignment with, the range of interventions, actions and measures supported through the ESF Employability, Inclusion and Learning OP.

**ERDF**

Considering consistency of the Thematic Objectives and main results in the draft Regional Operational Programmes (2014-2020), the ex-ante evaluator concludes that:

- These are consistent with CPR – given the selection of priorities follows requirements stipulated in Article 9 of the CPR;
- These are consistent with the Partnership Agreement – in the contribution that the selected priorities can make to the PA;
- The Council Recommendations for Ireland (July 2011) largely relate to the Economic Adjustment Programme (to avoid duplication with measures set out in the EAP, the EC provided no additional recommendations for Ireland). Ireland was exempt from the National Reform Programme process for the duration of the EAP. Therefore in this instance the ex-ante evaluator considered the EAP rather than the Country Specific Council Recommendations; this identifies that interventions under:
  - Priority 1: Strengthening RTDI in the Regions and Priority 3: SME Support, promotion and capability development have the potential to make a strong contribution to the objectives of the EAP through support for business growth and development which will assist the economic recovery;
  - Priority 2 – ICT Infrastructure and Priority 5 – Sustainable Urban Development – have potential to contribute to the objectives of the EAP through investment in infrastructure and urban areas which can create better conditions for inward investment and could create employment in the short term.

**EMFF**

Ex-ante evaluation for the EMFF was on-going at the time of adoption of this Partnership Agreement. However, the work is sufficiently advanced to allow some elements to be provided for the Partnership Agreement. Further details on the EMFF Ex ante Evaluation will be provided in the EMFF Operational Programme.
1.3 Selected thematic objectives, and for each of the selected thematic objectives a summary of the main results expected for each of the ESI Funds

Summary
The thematic objectives and priorities selected and the main results expected have been informed by the Europe 2020 Strategy, the National Reform Programme and the Government’s overarching economic policy objective to create the necessary conditions for sustainable and job-rich economic growth.

Following the identified challenges and needs, the EMFF will be mainly used to support the implementation of the reformed CFP, in particular assuring a durable exploitation of the fisheries resources, while reducing the impact on the marine environment. It will also contribute to the protection of the maritime environment, with special attention on Natura200 areas.

Support to sustainable fisheries and aquaculture production, doubled by support for diversification of fishing activities will positively impact also on the coastal areas economic development.

On the basis of the development needs set out in Section 1.1.2.3 of this Agreement, the Thematic Objectives and Investment Priorities chosen for the purposes of the ESIF in Ireland for 2014-2020 are set out in the tables below. Table 5 sets out the justification for selecting each TO and Table 6 outlines the main results sought.
Table 5 - Justification for the Selection of Thematic Objectives and Investment Priorities for the ERDF/ESF Operational Programmes 2014 – 2020, including the development needs set out in section 1.1.2.3

<table>
<thead>
<tr>
<th>Selected Thematic Objective</th>
<th>Selected Investment Priority</th>
<th>Justification for Selection</th>
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</table>
| 1. Strengthening Research, Technological Development and Innovation | (a) Enhancing research and innovation (R&I) infrastructure and capacities to develop R&I excellence, and promoting centres of competence, in particular those of European interest. | • Europe 2020 – R&D – Innovation Target  
• AGS – promoting growth and competitiveness, tackling unemployment  
• NRP – Target 2 - R&D  
• National Policies - Research prioritisation and Commercialisation, Action Plan for Jobs  
• European Commission position paper on Ireland – promotion of R&D Investment and the competitiveness of the business sector  
• To build upon the positive achievements of the 2007-13 programmes;  
• Potential synergies with Horizon 2020;  
• Potential to contribute to the Atlantic Strategy Action Plan.  
• To support the achievement of the objectives of Ireland’s Innovation Taskforce report;  
• To contribute to the Innovation Union agenda; and  
• Opportunity to commercialise through technology transfer and applied research, the substantial outputs of Ireland’s research programmes. |
<p>|                             | (b) Promoting business investment in R&amp;I, developing links and synergies between enterprises, research and development centres and the higher education sector, in particular promoting investment in product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in key enabling technologies and diffusion of general purpose technologies. | |</p>
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<tr>
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<th>Justification for Selection</th>
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</table>
| 2. Enhancing access to, and use and quality of, ICT | (a) Extending broadband deployment and the roll-out of high-speed networks and supporting the adoption of emerging technologies and networks for the digital economy. | • Europe 2020 – Employment, R&D/Innovation  
• AGS – promoting growth and competitiveness, tackling unemployment  
• To contribute to the EU Digital Agenda objectives  
• European Commission position paper on Ireland – promotion of the competitiveness of the business sector  
• NRP – Target 1 Employment  
• National Policies – Action Plan for Jobs  
• To meet national targets in respect of high speed broadband availability;  
• Next Generation Broadband is identified as a key infrastructure priority in the national capital investment programme  
• To promote regional development by enhancing the productive capacity of regional locations  
• To enhance a key driver of the competitiveness of the regional and national economy  
• To stimulate innovation and job creation in SMEs in the regions  
• To continue to attract foreign direct investment to the Regions  
• To underpin investment under other ESIF Programmes e.g., e-learning, rural development, development of coastal communities;  
• To provide ubiquitous next generation broadband to all citizens, regardless of location, supports equality of opportunity |
- To exploit opportunities for more effective service provision e.g., e-health technologies
- To complement investment under OP investment priorities in strengthening RTDI, enhancing SMEs and integrated urban development;
- To facilitate greater levels of e-working, thus reducing fuel consumption and peak time traffic flows
- To address identified gaps in high speed broadband availability in non-urban areas; and
- To provide a key enabling infrastructure for research and development, enterprise start-up and growth and e-government services.
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<th>Selected Thematic Objective</th>
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| 3. Enhancing the competitiveness of SMEs, of the agricultural sector (for the EAFRD) and of the fishery and aquaculture sector (for the EMFF) | (a) Promoting entrepreneurship, in particular by facilitating the economic exploitation of new ideas and fostering the creation of new firms, including through business incubators.  
(b) Supporting the capacity of SMEs to grow in regional, national and international markets, and to engage in innovation processes. | • Europe 2020 – Employment, R&D/Innovation  
• AGS – promoting growth and competitiveness, tackling unemployment  
• Country Specific Recommendation46 No 5 – Develop policy initiatives for the SME Sector  
• NRP – Target 1  
• European Commission position paper on Ireland – promotion of the competitiveness of the business sector  
• To address the need to accelerate micro-enterprise start-up and expansion;  
• To create employment in the start-up and expansion of micro-enterprises;  
• To continue the positive delivery of entrepreneurial supports; and  
• Strongly supported in the public consultation submissions received. |
| 4. Supporting the Shift Towards a Low Carbon Economy in all sectors | (c) Supporting energy efficiency, smart energy management and renewable energy use in public infrastructures, including in public buildings, and in the housing sector. | • Europe 2020 – Climate Change / Energy  
• NRP – Target 3 – Climate Change and Energy  
• Support the attainment of Ireland’s target for renewable sourced energy and the National Energy Efficiency Action Plan;  
• European Commission position paper on Ireland – promotion of an environmentally-friendly and resource efficient economy |

(e) Promoting low carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multi-modal urban mobility and mitigation-relevant adaptation measures

- To achieve reduced emissions from transport in accordance with the Commission paper
- To support low carbon urban mobility in designated urban centres
- To contribute to meeting Ireland’s EU2020 targets for reduced GHG emissions from transport
- To support the attainment of Ireland’s Smarter Travel Policy target of 20 percentage point increase in non-private car commuting

6. Preserving and protecting the environment and promoting resource efficiency

(e) Taking action to improve the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites (including conversion areas), reduce air pollution and promote noise-reduction measures.

(f) Promoting innovative technologies to improve environmental protection and resource efficiency in the waste sector, water sector and with regard to soil, or to reduce air pollution.

- Europe 2020 – Climate Change / Energy
- NRP – Target 3 – Climate Change and Energy - Support the attainment of Ireland’s target for renewable sourced energy and the National Energy Efficiency Action Plan;
- European Commission position paper on Ireland – promotion of an environmentally-friendly and resource efficient economy
- As part of Sustainable Urban Development (SUD) strategy, to enhance the quality of urban environments;
- To continue the positive delivery of SUD actions; and
- To align with the objectives of the National Spatial Strategy 2002-2020.
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<th>Selected Thematic Objective</th>
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<tr>
<td>8. Promoting sustainable and quality employment and supporting labour mobility</td>
<td>(i) Access to employment for job-seekers and inactive people, including the long-term unemployed and people far from the labour market, also through local employment initiatives and support for labour mobility; ii) Sustainable integration into the labour market of young people, in particular those not in employment, education of training, including young people at risk of social exclusion and young people from marginalised communities, including through the implementation of the Youth Guarantee.</td>
<td>• Europe 2020 – Employment, • AGS – promoting growth and competitiveness, tackling unemployment • NRP – Target 1 – Employment • National Policies – Action Plan for Jobs and Pathways to work • Country Specific Recommendation - No 3 - <em>Pursue further improvements in active labour market policies</em> ...... • European Commission position paper on Ireland – combating long-term and youth unemployment and social exclusion • Strong imperative to tackle and reduce long term unemployment levels. • Need to tackle and reduce youth unemployment and to implement the Youth Guarantee. • Need to increase the employment rate for women in the context of the NRP targets.</td>
</tr>
<tr>
<td>Selected Thematic Objective</td>
<td>Selected Investment Priority</td>
<td>Justification for Selection</td>
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| 9. Promoting social inclusion, combating poverty and any discrimination | (i) Active inclusion, including with a view to promoting equal opportunities and active participation, and improving employability; (iii) Combating all forms of discrimination and promoting equal opportunities; | - **Europe 2020** – Poverty/social Exclusion, Employment  
- **AGS** – tackling unemployment and social consequences of the crisis  
- **NRP** – Target 5 – Poverty and Target 1 – Employment  
- Country Specific Recommendation (4) Tackle low work intensity of households and address the poverty risk of children ……… Facilitate female labour market participation ……………  
- European Commission position paper on Ireland – combating long-term and youth unemployment and social exclusion  
- Strong need to tackle and reduce long term unemployment and social exclusion of people facing barriers to labour market participation. |
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<th>Selected Investment Priority</th>
<th>Justification for Selection</th>
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| 10. Investing in education, training and vocational training for skills and lifelong learning | (i) Improving the quality and efficiency of, and access to, tertiary and equivalent education with a view to increasing participation and attainment levels, especially for disadvantaged groups;  
(ii) Enhancing equal access to lifelong learning for all age groups in formal, non-formal and informal settings, upgrading the knowledge, skills and competences of the workforce, and promoting flexible learning pathways including through career guidance and validation of acquired competences; | • Europe 2020 – Education, Poverty/social Exclusion, Employment  
• AGS – promoting growth and competitiveness, tackling unemployment and social consequences of the crisis  
• NRP – Target 4 – Education, Target 5 – Poverty and Target 1 – Employment  
• European Commission position paper on Ireland – combating long-term and youth unemployment and social exclusion  
• Need to reduce early school leaving and to meet the NRP targets and those set in the NSS for the educational profile of the labour force.  
• Need to meet NRP targets and NSS objectives. Need to improve matching of jobseekers with available opportunities through higher education up skilling and re-skilling interventions.  
• Strong need to tackle and reduce long term unemployment and social exclusion of people facing barriers to labour market participation.  
• Strong need to tackle and reduce long term and youth unemployment. |

Table 6 below sets out the main results sought for each OP which will address the development needs and growth potentials identified in Section 1.1.2.3 of this document.
### Thematic Objectives and main results sought for each Operational Programme 2014 – 2020

<table>
<thead>
<tr>
<th>Selected Thematic Objective</th>
<th>Main Results Sought</th>
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| 1. Strengthening research, technological development and innovation                        | **ERDF**  
• Increased number of industry partners engaged with funded strategic research centres in the regions  
• Increase in the number of Licenses as a result of research in S&E Region  
• The number of SME clients of Enterprise Ireland in the BMW Region spending >€100,000 per annum on R&D (BMW).  
**EAFRD**  
• Increased levels of innovative practice throughout the agricultural sector, and strengthened links between research, technological development and best practice on the ground.  
• Increased support for the European Innovation Partnership, targeted training and knowledge transfer, and continued professional development. |
| 2. Enhancing access to, and use and quality of, information and communication technologies  | **ERDF**  
• Extension of next generation broadband to unserved towns and villages (BMW & S&E)                                                                                                                                     |
<table>
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<tr>
<th><strong>Selected Thematic Objective</strong></th>
<th><strong>Main Results Sought</strong></th>
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| 3. Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF) | **ERDF**  
- Increase in employment in micro-enterprises (BMW & S&E)  
**EAFRD**  
- Increased competitiveness via the enhancement and modernisation of holdings via capital investment, the integration of best practice and innovative solutions, the development of the knowledge base across the sector, and addressing identified structural issues such as land mobility and demographic issues.  
**EMFF**  
- Increased competitiveness of aquaculture and processing SMEs.  
- Increased employment in the seafood industry.  
- Sustainable increase in aquaculture output.  
- Increase in output of value added seafood products.  
- Improved market organisation for fishery and aquaculture products. |
| 4. Supporting the shift towards a low-carbon economy in all sectors                               | **ERDF**  
- To increase the average energy performance in Irish households (BMW & S&E) (4 (c)).  
- To increase non private car commuting levels in the designated urban centres(4(e))  
**EAFRD**  
- Implementation of more carbon efficient farming practices, and the development of the relevant knowledge base.  
**EMFF**  
- EMFF Programme development ongoing at the time of this Partnership Agreement, so results sought not yet defined. |
| 5. Promoting climate change adaptation, risk prevention and management                           | **EAFRD**  
- Implementation of more efficient production methods (in the beef sector in particular), increased usage rates for low emissions technologies and practices, counteracting of soil erosion, increased buffering of riparian zones, more efficient energy usage and increased usage and production of renewable energies. |
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<tr>
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| 6. Preserving and protecting the environment and promoting resource efficiency               | **ERDF**  
• Improvement in the social, economic and physical conditions in selected urban centres, based on an urban development index (BMW & S&E)                                                                                          |
| 6. Preserving and protecting the environment and promoting resource efficiency               | **EAFRD**  
• Enhanced nutrient management practices  
• Enhanced biodiversity preservation and maintenance  
• Increased protection of sensitive landscapes  
• Improved water quality                                                                                                                                 |
| 6. Preserving and protecting the environment and promoting resource efficiency               | **EMFF**  
• Decrease in amount of unwanted catches  
• Improved balance between fishing opportunities and fleet capacity.  
• Fish stocks fished at MSY.  
• Availability of scientific and economic data on fisheries and aquaculture and on the marine environment generally to support management decisions for fisheries and aquaculture, to assist in the sustainable development of those sectors and to support compliance with the Habitats, Birds and MSFD Directives.  
• Improved compliance with the Common Fisheries Policy.                                                                                       |
| 8. Promoting sustainable and quality employment and supporting labour mobility                | **ESF**  
• Unemployed persons or other job-seekers, including long-term and young unemployed persons, obtain employment or progress to education or training.                                                                                               |
| 8. Promoting sustainable and quality employment and supporting labour mobility                | **YEI**  
• More young people, in particular those who are not in employment, education or training, aged under 25 progress to education, training or employment.                                                                                       |
| 8. Promoting sustainable and quality employment and supporting labour mobility                | **EMFF**  
• Increased employment opportunities in coastal communities.  
• Availability of appropriately skilled workers to facilitate development of seafood industry.                                                                                           |
<table>
<thead>
<tr>
<th>Selected Thematic Objective</th>
<th>Main Results Sought</th>
</tr>
</thead>
</table>
| 9. Promoting social inclusion and combating poverty and any discrimination | **ESF**  
- Persons from marginalised groups, including young people at risk, migrants and women, and offenders participate in social inclusion, re-integration or employability programmes.  
 **EAFRD**  
- Enhanced basic services for rural communities  
- Creation of employment in rural communities  
- Development of new enterprises in rural communities |
| 10. Investing in education, training and vocational training for skills and life-long learning | **ESF**  
- Disadvantaged and disabled students remain in tertiary education.  
- Persons outside the labour force undertake second-chance education and training opportunities  
- More adults access literacy, numeracy and language tuition programmes.  
 **EAFRD**  
- Establishment of knowledge transfer groups in the farming sector and training for farmers (especially in the delivery of environmental and public goods) |
1.4 The indicative allocation of support by the Union by thematic objective at national level for each of the ESI Funds, as well as the total indicative amount of support envisaged for climate change objectives

The indicative allocation of support by the Union by thematic objective at national level for each of the ESI Funds is set out in the table below. This Table is generated automatically by the SFC system.

The ERDF allocations will be concentrated on thematic objectives 1-4 with the ESF supporting thematic objectives 8-10.
Table 7: The indicative allocation of support by the Union by thematic objective at national level for each of the ESI Funds

<table>
<thead>
<tr>
<th>Objective</th>
<th>ERDF</th>
<th>ESF</th>
<th>CF</th>
<th>EAFRD</th>
<th>EMFF</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strengthening research, technological development and innovation</td>
<td>€142,000,000</td>
<td>-</td>
<td>-</td>
<td>€44,992,153</td>
<td>-</td>
<td>€186,992,153</td>
</tr>
<tr>
<td>2. Enhancing access to, and use and quality of, information and communication technologies</td>
<td>€75,000,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>€75,000,000</td>
</tr>
<tr>
<td>3. Enhancing the competitiveness of small and medium-sized enterprises, the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)</td>
<td>€63,600,000</td>
<td>-</td>
<td>-</td>
<td>€175,000,000</td>
<td>€45,281,587</td>
<td>€283,881,587</td>
</tr>
<tr>
<td>4. Supporting the shift towards a low-carbon economy in all sectors</td>
<td>€87,500,000</td>
<td>-</td>
<td>-</td>
<td>€348,000,000</td>
<td>-</td>
<td>€435,500,000</td>
</tr>
<tr>
<td>5. Promoting climate change adaptation, risk prevention and management</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>€704,800,000</td>
<td>-</td>
<td>€704,800,000</td>
</tr>
<tr>
<td>6. Preserving and protecting the environment and promoting resource efficiency</td>
<td>€37,000,000</td>
<td>-</td>
<td>-</td>
<td>€704,800,000</td>
<td>€93,570,392</td>
<td>€835,370,392</td>
</tr>
<tr>
<td>7. Promoting sustainable transport and removing bottlenecks in key network infrastructures</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>8. Promoting sustainable and quality employment and supporting labour mobility</td>
<td>-</td>
<td>€230,930,203</td>
<td>-</td>
<td>-</td>
<td>€8,250,000</td>
<td>€239,180,203</td>
</tr>
<tr>
<td>9. Promoting social inclusion and combating poverty and any discrimination</td>
<td>-</td>
<td>€193,807,784</td>
<td>-</td>
<td>€157,000,000</td>
<td>-</td>
<td>€350,807,784</td>
</tr>
<tr>
<td>10. Investing in education, training and vocational training for skills and lifelong learning</td>
<td>-</td>
<td>€107,698,574</td>
<td>-</td>
<td>€53,000,000</td>
<td>-</td>
<td>€160,698,574</td>
</tr>
<tr>
<td>11. Enhancing institutional capacity of public authorities and stakeholders and an efficient public administration</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Technical assistance</td>
<td>€4,106,529</td>
<td>€10,000,000</td>
<td>-</td>
<td>€3,000,000</td>
<td>€500,000</td>
<td>€17,606,529</td>
</tr>
<tr>
<td>TOTAL</td>
<td>€409,206,529</td>
<td>€542,436,561</td>
<td>-</td>
<td>€2,190,592,153</td>
<td>€147,601,979</td>
<td>€3,289,837,222</td>
</tr>
</tbody>
</table>
Table 8  Information on the Youth Employment Initiative, which is programmed under thematic objective 8 “Promoting sustainable and quality employment and supporting labour mobility”:

<table>
<thead>
<tr>
<th>YEI specific allocation:</th>
<th>(EUR) 68,145,419</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESF matching funding:</td>
<td>(EUR) 68,145,419</td>
</tr>
<tr>
<td>Total YEI Resources</td>
<td>(EUR) 136,290,838</td>
</tr>
<tr>
<td>YEI resources for young persons residing outside of the eligible regions (Article 16 ESF Regulation)</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

Table 9  Information on the allocation to technical assistance, under cohesion policy, by category of regions, where appropriate

<table>
<thead>
<tr>
<th>Fund</th>
<th>Allocation to technical assistance (EUR)</th>
<th>Share of technical assistance of total allocation (by Fund and by category of region, where appropriate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERDF</td>
<td>€4,106,529</td>
<td>1%</td>
</tr>
<tr>
<td>ESF</td>
<td>€10,000,000</td>
<td>1.8%</td>
</tr>
</tbody>
</table>

Table 10  The share of ESF of Structural Funds (ERDF and ESF) (Art. 92(4) and Annex ix CPR) -

<table>
<thead>
<tr>
<th>Description</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share of ESF in the Structural Funds (ESF and ERDF) resources for the operational programmes for the Convergence and Regional competitiveness and employment objectives in the 2007-2013 programming period</td>
<td>50%</td>
</tr>
<tr>
<td>ESF minimum share in the Member State</td>
<td>51.7%</td>
</tr>
<tr>
<td>The share of ESF in the Structural Funds resources in the 2014-2020 programming period</td>
<td>57%</td>
</tr>
</tbody>
</table>

49 Calculated in accordance with Annex ix of EU Regulation 1303/2013
50 Calculated based on total amounts by ESI Fund included in the table under section1.4.
1.4.1 Total indicative amount of EU support for climate change objectives (EUR) (total Union support, including the performance reserve).

The regulations governing the use of the ESI Funds require at least 20% of ERDF resources and at least 30% of EAFRD funding to be allocated to environmental and climate actions. Ireland will meet and exceed these requirements in the proposed ERDF OPs and the Rural Development Programme.

As illustrated in Table 7 and using the total Union support provided under TOs 5 and 6, the total indicative amount of EU support for climate change objectives in Ireland is in excess of €1.9 billion or close to 60% of our ESI allocation.
1.5 **The application of the horizontal principles referred to in Articles 5, 7 and 8 of the CPR and policy objectives for the implementation of the ESI Funds**

1.5.1 Arrangements for the partnership principle including an indicative list of the partners referred to in Article 5 CPR and a summary of the actions taken to involve them in accordance with Article 5 CPR and of their role in the preparation of the Partnership Agreement and the progress report referred to in Article 52 CPR

The Department of Public Expenditure and Reform (DPER) had responsibility for co-ordinating the overall preparation of Partnership Agreement (PA). The Department of Public expenditure and Reform has overall responsibility for EU Cohesion Policy and the European Structural and Investment Funds (ESIF), as well as specific responsibility for the ERDF. The Department of Education & Skills has primary responsibility for the ESF while the Department of Agriculture, Food & the Marine has responsibility for the EAFRD and the EMFF.

Preparations for the new programming period have been underway in Ireland for nearly two years. The key stages in this process are:

- Presentation of EU Commission Position Paper (December 2012)
- Identification of potential partners (February/March 2013)
- First consultation process on PA with partners (March/April 2013)
- Review of submissions received (May/June 2013)
- Publication of summary of first consultation (July 2013)
- Preparation and publication of draft PA (November 2013)
- Second consultation process on PA (November 2013)
- Review of submissions (November – February 2014)
- Second Informal Draft of PA (February 2014)
- Third Consultation Process (February 2014)
- Final Draft PA (April 2014)
- Agreement with EU Commission (November 2014)

In addition to the above consultation process on the PA, individual consultation processes were also undertaken by the Managing Authorities for each OP.

The Common Strategic Framework (CSF) governing the ESI Funds establishes horizontal principles and cross cutting policy objectives for the implementation of the funds in line with Article 11 of EU Regulation 1303/2013. This Partnership Agreement and the Operational Programmes take account of the following EU and national horizontal principles:

- Partnership and multi-level governance
- Promotion of equality between men and women, non-discrimination and accessibility
- Promotion of sustainable development
- Promotion of social inclusion

The Irish Authorities have also taken account of the European Code of Conduct on Partnership (ECCP) in the preparation of the Partnership Agreement. In accordance with Article 5 of Regulation 1303/2013, the principle of partnership and multi-level governance has been respected in order to facilitate achieving social, economic and territorial cohesion and delivery of the Union's priorities of smart, sustainable and inclusive growth.

In line with the European Code of Conduct on Partnership (ECCP) and Article 5 and Article 15 (1) (c) of EU Regulation 1303/2013, extensive consultation processes were held at each stage of the preparation of the PA and each of the OPs. Consultations also took place with other Government Departments and agencies on potential funding priorities in the 2014 – 2020 programming period.

In advance of the consultation process on the Partnership Agreement, a list of prospective partners was drawn up using existing structures and organisations involved in Structural Fund programmes in the 2007-2013 round. The list of partners consulted is set out in Annex I to this document.

The PA was circulated and discussed at the National Strategic Reference Framework Monitoring Committee meeting, membership of which is representative of the partners outlined in Article 5 of Council Regulation 1303/2013. Representatives of the NDP/CSF Monitoring Committee include the relevant Managing Authorities for the Operational Programmes, implementing Departments, the Regional Assemblies, and statutory bodies representing the interests of civil society including equal opportunities, the environment, poverty and rural development. In addition, the views of representatives of the five pillars of social partnership were specifically sought on the draft PA.

Partners were primarily consulted using email and follow up meetings with some partners were also held. Actions taken to involve the partners included three consultation processes on the PA, individual consultation processes for each OP, meetings with key Government Departments and agencies, workshops with interested stakeholders and meetings of the OP monitoring committees which are representative of civil society. Further details are given below.

- Copies of submissions received on the Partnership Agreement were forwarded to the Managing Authorities preparing the Operational Programmes for information.

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- Separate consultation processes with interested stakeholders on all Operational Programmes were undertaken or are nearing completion. The public consultation process for the European Regional Development Fund (ERDF) is complete and responses were reviewed and considered during the preparation of the Regional Operational Programmes. The consultation processes on various aspects of the preparations of the new OPs are continuing.

- The consultation process on the PA in April 2013 was very useful in identifying issues of importance to respondents and an extensive range of issues and opportunities were included in submissions. Some 35 submissions were received and a summary of the contents of these was published on the Department’s website in July 2013. Many of these were specific to the remit of the organisations making the submission. However, common issues identified included unemployment, youth unemployment, poverty, childcare issues and inequality.

- Opportunities to address these issues were also recognised with respondents focusing particularly on topics such as the use of Financial Instruments, Community Led Local Development and Sustainable Urban Development. Suggestions received were discussed with the MAs preparing the OPs.

- The Department of Public Expenditure and Reform (DPER) attended many expert group meetings between the EU Commission and Member States in order to determine best practice in preparing for the new round of funding.

- Included in these meetings was advice on compliance with the European Code of Conduct on Partnership (ECCP).

- DPER chairs a sub group of the National Coordinating Committee for the Funds at which all Managing Authorities are represented. The results of the submissions received on all consultations were discussed at this forum.

- Monitoring Committees for existing Operational Programmes are representative of civil society. National partnership structures will be established in line with the code of conduct on partnership. These structures are set out in Section 2.1.

- The consultation processes with Government Departments and agencies and with interested stakeholders informed the preparation of the draft Partnership Agreement and draft Operational Programmes, as appropriate.

- An initial draft Partnership Agreement document was made available in November 2013 at which time a second consultation process was initiated. Interested stakeholders were invited to submit comments on the contents of the draft Partnership Agreement and a consultation event was held with interested stakeholders. A copy of the draft PA was published on the DPER website.

- The results of the second consultation process were combined with the views of the EU Commission and the results of negotiations on the draft document to facilitate the completion of the second informal draft Partnership Agreement in February.

- A third consultation exercise on the PA took place in March 2013 and the PA was published on the DPER website.

- The Partnership Agreement was submitted formally to the Commission by 22nd April 2014.
In addition, the following Horizontal Principle bodies were specifically consulted in the preparation of this PA:

- Department of Justice and Equality
- Equality Authority
- National Women’s Council of Ireland
- National Disability Authority
- Disability Federation of Ireland
- European Anti-Poverty Network
- Immigrant Council of Ireland
- Department of Social Protection

Separate consultation meetings with Horizontal Principle bodies were conducted. The results of these consultations fed into the preparation of a second draft PA which was sent to the Commission in February 2014. This second draft PA was issued simultaneously to interested stakeholders, including the horizontal principle bodies, for further feedback, and a copy of the draft document was published on the DPER website.

Consultations on each OP were also conducted and submissions received during these processes informed the contents of the individual Ops.

Detailed consideration of the submissions received and a subsequent series of bi-lateral engagements with interested bodies, taking into account the focus in Ireland of the OPs, followed and investment priorities were chosen having regard to the development needs identified in the Needs Analyses.

The consultation processes were very helpful to the MAs in identifying key challenges on which the OPs should be focused for 2014-2020. It also gave the opportunity for innovative and new ideas and measures to emerge.

Specifically, the consultation processes raised the following key issues:

- Labour market activation activities for Long Term Unemployed (LTU) particularly from disadvantaged areas
- Enhancing employability of prisoners/ex-offenders and managing offenders in the community
- Education and development of life-long learning for young people at risk of offending
- Expansion of social inclusion measures at local level
- Progression from further to higher education for young people
- The development, support and deepening of the existing equality mainstreaming approach
- Funding for the early childhood education and care sector
- The positive environmental impacts of a shift to higher resource efficiency and to a low-carbon economy
- Development of telecommunications infrastructure
- Promoting entrepreneurship and supporting SMEs
- Need to support the competitiveness of the agri-food sector, the achievement of a more sustainable management of natural resources, and the continued and balanced development of rural areas
- Useful suggestions in relation to the detailed operation of proposed measures and related investment priorities
- Need for better data to inform fisheries management
- Lack of scale affecting capacity to take full advantage of opportunities in the maritime sector
- Ensuring the sustainability of the seafood sector and the need for innovation and value adding

Once national monitoring structures are established, partners represented on the National Monitoring Committee will be involved in the preparation of the progress reports outlined in Article 52 of EU Regulation 1303/2013.
1.5.2 Promotion of equality between men and women, non-discrimination and accessibility

In Ireland, the Equality Act 2004 protects people from discrimination to any of the following nine grounds:

- gender
- civil status
- family status
- age
- race
- religion
- disability
- sexual orientation
- membership of the Traveller community

In addition, the National Disability Act 2005 and National Disability Strategy, a whole-of-Government approach to advancing the social inclusion of people with disabilities, address the particular challenges people with disabilities can face when it comes to participating in everyday life activities.

By adhering to the principles and processes set out in domestic legislation, the Irish Authorities will ensure that all ESI Funds programmes will promote equality between men and women, non-discrimination and accessibility in accordance with the EU requirements.

In accordance with Article 7 of EU Regulation 1303/2013, during the preparation and implementation of programmes Ireland is pursuing the objective of equality between men and women and the integration and promotion of a gender perspective and taking appropriate steps to prevent any discrimination. Accessibility for persons with disabilities is also being taken into account throughout the preparation and implementation of programmes.

The involvement of equality bodies or other organisations active in combating discrimination was a critical element in the preparation and implementation of the PA and individual OPs in order to provide the necessary expertise in the preparation, monitoring and evaluation of the Funds as outlined in Section 1.5.1 above.

All programmes will aim to combat discrimination and promote equal opportunities as well as to ensure accessibility for persons with disabilities during their preparation and implementation. Accessibility should be a characteristic of all products and services offered to the public and co-financed by the ESI Funds.

Monitoring systems and data collection will be established to provide a clear picture of how programmes are meeting gender equality objectives. When they are established, the composition of the monitoring committees for each Operational Programme will be, as far as possible, gender balanced and include a gender expertise/responsibility function.
Ireland has ensured the participation of the relevant bodies responsible for promoting gender equality, non-discrimination and accessibility in the development of this PA, and is keen to ensure adequate structures are in place to advise on these issues. The National Disability Authority (NDA) and the Department of Justice and Equality have been consulted in the preparation of this document and the Irish Human Rights and Equality Commission, when established, will be requested to participate in the monitoring structures when these are put in place. In addition, as part of the monitoring procedures and arrangements under the Operational Programmes, intermediate bodies will be asked to report on the contribution to, or achievement of, social inclusion and equality objectives.

Equality between men and women

Equality between women and men is a fundamental value of the European Union, enshrined in the Treaties and is one of the objectives and tasks of the European Union, and mainstreaming the principle of equality between women and men in all its activities represents a general aim of the Union and is also enshrined in the Union’s Charter of Fundamental Rights. While the European Union possesses a significant body of legislation promoting compliance with the principle of equal treatment of men and women in areas such as employment, access to goods and services, progress is slow in attaining de facto gender equality.

The following statistics relating to gender equality in Ireland as compared to the EU average are available from DG Justice:

- The employment rate of women in the Irish labour market equals 55.4% and is below the EU average (58.5%) – the share of women actively looking for work (10.7%) is above the EU average (9.8%).
- The rate of women working part-time (35.1%) is above the EU average (31.6%) – in Ireland, the average part-time hours worked per week by women (18.6 hours) are below the EU average (20.2 hours)
- College/university (tertiary education) attainment of women equals 36.4% and is significantly above the EU average (24.8%) – however, high school students generally choose gender typical fields of study.
- The under-/overrepresentation of women and men in occupations or sectors is pronounced in Ireland as well as in the EU-28 – it is necessary to motivate graduates to enter gender atypical sectors and occupations.
- The under-/overrepresentation of women and men in hierarchical levels prevails – the proportion of women on supervisory boards (9%) is significantly below the EU average (14%); the rate of women in management positions, however, has increased by 3 percentage points since 2003 but is significantly below the EU average (22% vs. 33%).
- The unadjusted gender pay gap in Ireland is below the EU-28 average. In Ireland, women earned 12.6% less than men in 2010 (EU-28: -16.4%).

52 The Irish Human Rights Commission and the Equality Authority will merge shortly.
53 3073rd EPSCO Council, 2011
In relation to the broader equality grounds, research published by the Equality Authority in 2010 shows that 12% of adults in Ireland said that they were discriminated against in the preceding two years. The highest rates of reported discrimination were in recruitment (6%) and in the workplace (5%). In services, discrimination was highest for accessing housing (3%) and using financial services such as banks and insurance services (2.5%). The lowest rates were for education (just over 1%), ‘other public services’ (just over 1%) and transport services (0.4%).

Some other key findings of the report are:

- Women are more likely to experience discrimination than men, particularly in the workplace.
- The 45-64 year old group is more likely to report work-related discrimination, specifically in seeking employment. They are also more likely to report that this had a serious impact on their lives.
- People with a disability are more likely to report discrimination in services, particularly in health and transport. They are also more likely to report serious discrimination.
- People of Black ethnicity are almost four times more likely to report experience of discrimination than White Irish people and over five times more likely than White Irish people to report serious discrimination. They report higher rates of discrimination both in work and in many service settings.
- The Asian and ‘Other’ ethnic groups are more likely to report discrimination in both work and some services than White Irish people, although less likely than the Black ethnic group.

Other research work published by the Equality Authority and the ESRI shows that the educational disadvantage of Irish Travellers relative to other Irish adults is significant particularly among the younger age group. In the All Ireland Traveller Health Study published by the Department of Health and Children in 2010, high levels of discrimination were reported in almost every employment and service domain considered.

Discrimination on the grounds of sexual orientation is prohibited by the Employment Equality Act. However according to the recently published survey by the European Union Agency for Fundamental Rights on lesbian, gay, bisexual and transgender (LGBT) people, one in five (18%) of those who were employed in the 12 months preceding the survey stated that they personally felt discriminated against at work in the last year because they were LGBT. The figure was significantly higher for transgender people.

The Managing Authorities and Intermediate bodies for the ESI co-financed Programmes 2014-2020 are required to:

- involve bodies in charge of gender equality at all stages (preparation, implementation, monitoring, evaluation), including the provision of advice on gender equality in fund-related activities
- pursue the objective of equality between men and women and ensure its mainstreaming through the integration of a gender perspective at all stages of the implementation of the funds, including preparation, implementation, monitoring and evaluation,
- include specific actions to promote gender equality including engagement with structures with a function to lead on gender-equality issues,
- take careful account of how the implementation of projects may affect women and men (gender mainstreaming),
- take account of the potential contribution of the Operational Programmes to gender equality with reference to the specific challenges in the priority investment areas chosen, where relevant
- make arrangements for training of relevant staff in the fields of gender equality law and policy as well as on gender mainstreaming related to the implementation of the funds, in accordance with the general ex-ante conditionality
- promote gender balance on the monitoring committees
- monitor and evaluate the application of the principle and have regard to the results of such monitoring and evaluation actions.

The Irish Authorities took account of the relevant provisions of EU Regulation 1303/2013 relating to promotion of equal opportunities and prevention of discrimination.

The Managing Authorities for the Operational Programmes will address the impact on the Equal Opportunities Horizontal Principle at implementation level. They will make arrangements for training of relevant staff in the fields of gender equality law and policy as well as on gender mainstreaming related to the implementation of the funds, in accordance with the general ex-ante conditionality. Following the consultation process and bilateral engagements referred to earlier, the Equality Authority will provide support to implementing bodies to meet the horizontal equality and anti-discrimination objectives.

Non-discrimination and accessibility
Ireland has a National Disability Strategy 2013-2015 which was agreed by members of a National Disability Strategy Implementation Group. Four High Level Goals were agreed by the Group under the following themes:
- Equal citizens
- Independence and choice
- Participation
- Maximising potential

The Implementation Plan’s High Level Goals are organised around important rights for citizens with disabilities, rather than being arranged around responsibilities of Government Departments.

54http://www.justice.ie/en/JELR/NDS_ImplementationPlan_FINAL.pdf/Files/NDS_ImplementationPlan_FINAL.pdf
This gives the Implementation Plan an important citizen focus and a framework for ensuring joined up working across Departments. While the UN Convention is not yet ratified by Ireland, the Implementation Plan states that many of the actions in the Plan ensure compliance with the requirements of different Articles in the Convention.

Staff in the Intermediate Bodies for each Operational Programme should, for each programme of proposed expenditure, assess the impacts for people with disabilities, including accessibility issues. To this end, the Irish Government has published Guidelines for Government Departments on conducting a Disability Impact Assessment\(^55\).

Furthermore, the National Disability Authority has developed detailed guidance on accessibility for people with disabilities, to which staff of the MAs and IBs can refer including:

- Building for Everyone – a universal design approach\(^56\) which provides detailed technical guidance on designing and maintaining accessibility of the built environment.
- NDA’s Accessibility toolkit portal\(^57\) provides guidance and links in relation to accessibility of services and of printed and online information to people with disabilities. The Universal Design Standard on Customer Engagement in Tourism developed with the National Standards Authority of Ireland provides a model that is readily adaptable to other service contexts.
- The Report of the HSE Working Group on Congregated Settings 'Time to Move on From Congregated Settings (2011)\(^58\) which set out a programme for progressive closure of remaining residential institutions for people with disabilities, and their replacement with alternative person-centred models. Ireland will be required to progress this agenda to comply with Article 19 of the UN Convention on the Rights of Persons with Disabilities, which Ireland has signed but not yet ratified.
- The European Expert Group on the Transition from Institutional to Community Based Care has published two guides on supporting the transition from institutional care to the community. The first are Common European Guidelines on deinstitutionalisation\(^59\). However, the European Commission has highlighted previously that in some countries, Structural Funds were inappropriately used to fund the building of institutions so it is important to ensure that this does not happen in Ireland. The second is a Toolkit on the Use of European Union Funds for the Transition from Institutional to Community Based Care\(^60\). The toolkit is a resource for managing authority staff on how EU funds can support national, regional and local authorities in designing and implementing structural reforms aimed at facilitating the development of quality family-based and community-based alternatives to institutional care.

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\(^{56}\) http://www.universaldesign.ie/buildingforeveryone

\(^{57}\) http://accessibility.ie

\(^{58}\) http://www.hse.ie/eng/services/Publications/services/Disability/timetomoveonpdf.html


• The NDA has also published an Accessibility toolkit for public sector staff\textsuperscript{61} to which staff can refer.

The Managing Authorities will make arrangements to provide training as appropriate to the implementing bodies to meet this horizontal principle in consultation with the National Disability Authority.

Conclusion

Each of the key Horizontal Principles bodies mentioned above has been consulted directly on how best to measure and report on the Horizontal Principles in the ESF Operational Programme specifically and in the preparation of other OPs and the PA generally.

Supporting equality, non-discrimination and accessibility will be an important horizontal principle in the preparation of this PA which have been considered in the development and implementation of all of the OPs.

\textsuperscript{61} \url{www.nda.ie/cntmgmtnew.nsf/accessibilityhomepage?OpenPage}
1.5.3 Sustainable development

The principle of sustainable development requires that the needs of the present be met without compromising the ability of future generations to meet their own needs. In practice, this implies ensuring that environmental protection requirements, resource efficiency, sustainable management of natural resources (including marine resources), climate change mitigation and adaptation, disaster resilience and risk prevention and management are addressed through both dedicated funding streams and through their horizontal integration across the Operational Programmes. For the 2014-2020 programme period, at least 20% of the ERDF allocation must be allocated towards low carbon economy measures.

The “polluter pays principle” implies that the party responsible for producing pollution should be responsible for paying for the damage done to the natural environment. As a general rule, this means that funding should not be used to meet the costs of complying with existing legislation and the principle should be systematically applied across programmes and projects. The principle of polluter pays will be given full consideration in the design and implementation of programme interventions where relevant and the responsible programme authorities will be required to deliver and monitor compliance on this obligation.

The Irish Government launched a renewed sustainable development framework in June 2012. The objectives of the Our Sustainable Future – A Framework for Sustainable Development for Ireland62 are to identify and prioritise policy areas and mechanisms where a sustainable development approach will add value and enable continuous improvement of quality of life for current and future generations and set out clear measures, responsibilities and timelines in an implementation plan.

The framework broadly follows the thematic approach of the EU Sustainable Development Strategy and sets out a wide range of measures that seek to ensure an improvement in Ireland’s quality of life into the future in areas such as:

- Sustainability of public finances and economic resilience
- Sustainable consumption and production
- Conservation and management of natural resources (including marine resources)
- Climate change and clean energy
- Sustainable agriculture and fisheries
- Sustainable transport
- Social inclusion, sustainable communities and spatial planning
- Public health
- Education, communication and behaviour change
- Innovation, research and development

• Skills and training
• Global poverty and sustainable development

The framework also commits Ireland to a new vision for biodiversity and a target to halt the loss of biodiversity and the degradation of ecosystem services in the EU by 2020, and to restore them in so far as feasible, while stepping up the contribution to averting global biodiversity loss. A key plank of the response to this challenge is found in Actions for Biodiversity 2011-2016: Ireland’s National Biodiversity Plan which was published in November 2011. Because the green infrastructure approach emphasises management and not just protection, it has particular potential to assist in meeting the requirements of a range of European Directives including the Habitats Directive (92/43/EEC), Birds Directive (2009/147/EC), Water Framework Directive (2000/60/EC), Marine Strategy Framework Directive (2008/56/EC), Strategic Environmental Assessment Directive (2001/42/EC) and Floods Directive (2007/60/EC) through integrated cost-effective actions. Ireland has committed to develop an integrated national terrestrial and marine habitat map by 2015, which will assist in incorporating ecosystems into the planning system.

The green and blue economies have been identified as a central plank to Ireland’s economic recovery, consistent with the Action Plan for Jobs 2012. The framework sets out a medium to long-term plan to guide the essential work needed to progress the sustainable development agenda and more fully exploit opportunities in the economy in Ireland. It sets a vision on how to transition Ireland to a resource efficient, low-carbon and climate resilient future.

The framework aims to address policy conflicts and trade-offs as part of a coherent, joined-up approach to policy making on sustainable development and is set to make Ireland a leader in sustainable development. It signals a major reorientation of public and private investment, particularly in terms of innovation, research and development in those areas where radically new approaches are considered necessary.

The priorities for action cut across many key challenges and include:

• An effective framework for transition to an innovative, low carbon and resource efficient society.
• Identifying and adopting policies that can help achieve a shift towards a green economy, while maintaining fiscal stability and ensuring sustainable public finances into the future.
• Protecting and restoring Ireland’s biodiversity and ecosystems so that benefits essential for all sectors of society will be delivered.
• Securing health and social wellbeing to enable full participation in society and economic development.
• Effective governance arrangements to ensure delivery of sustainable development.
• A partnership approach to implementation of the strategy.
• Developing a set of indicators to measure and report on progress.
In accordance with this principle, Managing Authorities undertook, as appropriate, to:

- involve bodies working in the fields of sustainable development at all stages (preparation, implementation, monitoring, evaluation), including the provision of advice on sustainable development in fund-related activities
- comply with the Strategic Environmental Assessment Directive, where appropriate
- incorporate the principle of sustainable development in the design of measures and operations
- ensure that project selection criteria will assess projects on the basis of environmental protection requirements, resource efficiency, climate change mitigation and adaptation, disaster resilience and risk prevention
- monitor and evaluate the application of the principle and have regard to the results of such monitoring and evaluation actions
- comply with the polluter pays principle


Ireland therefore ensures that investments made with the support of the ESI Funds consider climate change mitigation potential, as well as be resilient to the impact of climate change and natural disasters such as increased risks of flooding, heat waves and extreme weather events.

As provided for in the National Climate Change Adaptation Framework63 (published December 2012) and in anticipation of the Climate Action and Low Carbon Development Bill, which will underpin adaption planning requirements, work on sectoral adaption plans is continuing within the relevant Government Departments in Ireland. For example, Transport agencies have begun the process of developing plans in terms of climate resilience of transport networks.

‘Resource-efficient Europe’ covers a very broad spectrum concerning resource efficiency and environmental protection related to all policies and programmes at European and national levels, emphasising the horizontal character of the topic. However, this horizontal dimension means that effectiveness and efficiency will only be generated through EU-wide implementation. The EU’s fast-growing ‘green’ industry can be a powerful global asset. At the same time, globalised industrial competition confronts European industry with low-price products and low environmental standards, making the adoption of rigid legal changes towards resource efficiency less welcome.

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At the EU level, a long list of activities is envisaged for the short term, covering the formulation of new visions and strategies (e.g. on biodiversity), the review of existing policies, use of financial instruments, structures and monitoring provisions, amongst others. In the medium term, the establishment of concrete tools is addressed (e.g. Life Cycle Assessment, eco-labelling, Green Public Procurement and others), leading to long-term support for research, the introduction of market-based instruments and the abolition of counter-productive subsidies. The extent to which these tools will be used will be further considered when the draft OPs have been finalised.

At the Member State and local and regional levels, the focus in the short term is on the finalisation of the legal and administrative framework (where needed), leading to concrete implementation in the medium-to-long term of very specific actions (e.g. energy efficiency in buildings, development of storage technologies, introduction of fiscal incentives etc.).

In relation to green public procurement, the implementation of the “Green Tenders – An Action Plan for Green Public Procurement”[^64] is continuing through the Green Tenders Implementation Group (GTIG) co-chaired by the Department of Public Expenditure and Reform and the Department of the Environment, Community and Local Government. Members of the Group, each of which is responsible for the implementation of actions in their own area report on progress, including timelines for the delivery of key actions, in advance of each meeting. The inclusion of green public procurement will be further considered when the RDP has been finalised, particularly in relation to training/dissemination of information.

Strategic Environmental Assessment (SEA) screening were carried out on all OPs and where an SEA was deemed necessary and undertaken, conservation issues will form part of the SEA.

1.5.4 Horizontal policy objectives

Since 1997, Ireland has developed national anti-poverty strategies to provide a strategic framework in which to tackle poverty and social exclusion. The current government strategy for promoting social inclusion is the *National Action Plan for Social Inclusion 2007 – 2016*. It uses a lifecycle approach which places the individual at the centre of the policy development and delivery by assessing risks and supports available at key stages of the life cycle. The plan prioritises the national poverty target alongside twelve high level goals and 150 targets across policy areas.

The official definition of poverty:

*People are living in poverty if their income and resources (material, cultural and social) are so inadequate as to preclude them from having a standard of living which is regarded as acceptable by Irish society generally. As a result of inadequate income and resources, people may be excluded and marginalised from participating in activities which are considered the norm for other people in society. (Government of Ireland, 1997)*

This definition captures the multi-dimensional nature of poverty. Social inclusion is an important theme across the Irish Government’s priorities.

The National Social Target for Poverty Reduction is:

To reduce consistent poverty (overlap of at-risk-of-poverty and basic deprivation) to 4% by 2016 (interim target) and to 2% or less by 2020, from a baseline of 6.3%

The targeted actions and interventions outlined in the National Action Plan for Social Inclusion include building viable and sustainable communities, improving the lives of people living in disadvantaged areas and building social capital.

The Government has agreed to develop and integrated poverty and social impact assessment to strengthen the implementation of social inclusion as a horizontal theme across Government policy and to ensure greater policy coordination in the social sphere. Social impact assessment is an important policy tool for mainstreaming the revised national social target for poverty reduction in all aspects of government policy. SIA has recently been applied to the welfare and taxation measures arising from the annual Budget. The application of SIA to Budget 2014 was published in March 2014. It is intended to expand SIA in conjunction with relevant departments and other stakeholders but this is dependent on resources, data quality and capacity.

As indicated in the 2014 National Reform Programme Update for Ireland, the trend in meeting the Europe2020 has been upwards, highlighting the impact of the economic crisis in Ireland.

The Managing Authorities invited submissions on the preparation of the OPs and included a question seeking suggested improvements that could be made in the way the Horizontal principles are integrated into programme design. Feedback was received on how the integration of Horizontal Principles into the programme design could be improved. A general response was that there was that there should be greater emphasis placed on the horizontal principles. The following arrangements will be made to ensure the integration of social inclusion in the Operational Programmes:

- Involve bodies in charge of social inclusion policy and organisations representing excluded groups at all stages (preparation, implementation, monitoring, evaluation), including the provision of advice on social inclusion in fund-related activities;
- Incorporate measures to ensure Social Inclusion and minimise the effects of social exclusion in the development and implementation of the OPs;
- Track the impact of social inclusion at implementation level on relevant operations within the programmes; and
- Monitor and evaluate the application of the principle and have regard to the results of such monitoring and evaluation actions.

The National Action Plan for Social Inclusion 2007-2016 (see section 1.1.2.3) identifies a number of high level strategic goals in priority areas in order to achieve the overall objective of reducing consistent poverty. The plan recognises the continuing challenges faced by those in work but on low incomes, as well as the vulnerability of those in households without any employment.

The Government is committed to ensuring that the most vulnerable are enabled to benefit from economic recovery through activation programmes and services. The delivery of targeted policies across all government departments is required to ensure progress on the poverty target. Targeting policies and resources at the groups which carry the greatest burden of poverty, notably jobless households and children, will be a policy priority as is reflected in the commitment to set sub-targets for these groups. In addition to high level strategic goals, the targeted actions and interventions set out in the National Action Plan are designed to ensure that a decisive impact is made on poverty.

Social Inclusion is an important horizontal theme in the Government’s priorities. Ireland’s PA and OPs, as far as possible, incorporate measures to ensure Social Inclusion and minimise the effects of Social Exclusion in the development and implementation of the Operational Programmes. The ESF, in particular, can contribute to the achievement of social inclusion objectives. There is a requirement that a minimum of 20% of the ESF be used to address social inclusion, combating poverty and any discrimination objectives. Match funding will be provided from the Exchequer but may also be provided from philanthropic donations.

The RDP 2014-2020 is based on 6 priorities as outlined in the EAFRD regulation, one of which is promoting social inclusion, poverty reduction and economic development in rural areas.
The new RDP is also contributing to the LEADER Programme, however the measures in the programme have not yet been finalised. In the RDP, Thematic Objective 9 – Promoting social inclusion and combating poverty will be addressed through training initiatives, skills-acquisition actions and capacity-building measures. The measures in the new Programme will be drafted to ensure non-discrimination.
1.6 The list of the programmes under the ERDF, the ESF and the YEI, and the Cohesion Fund, except those under the European territorial cooperation goal, and of the programmes of the EAFRD and the EMFF, with the respective indicative allocations by ESI Fund and by year (total Union support, including the performance reserve)

Table 11 List of Programmes and Allocations

<table>
<thead>
<tr>
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<th></th>
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<tbody>
<tr>
<td>Southern &amp; Eastern Regional OP</td>
<td>ERDF</td>
<td>€249,109,350</td>
<td>€33,506,549.00</td>
<td>€34,177,372.00</td>
<td>€34,861,528.00</td>
<td>€35,559,230.00</td>
<td>€36,270,875.00</td>
<td>€36,996,738.00</td>
<td>€37,737,058.00</td>
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<td>Border, Midland &amp; Western Regional OP</td>
<td>ERDF</td>
<td>€160,097,179</td>
<td>€21,533,933.00</td>
<td>€21,965,056.00</td>
<td>€22,404,748.00</td>
<td>€22,853,147.00</td>
<td>€23,310,505.00</td>
<td>€23,777,001.00</td>
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<td>Employability, Inclusion and Learning OP</td>
<td>ESF</td>
<td>€542,436,561</td>
<td>€72,960,638.00</td>
<td>€74,421,358.00</td>
<td>€75,911,109.00</td>
<td>€77,430,360.00</td>
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<td>€80,560,537.00</td>
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<td>Youth Employment Initiative</td>
<td>YEI</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Rural Development Programme</td>
<td>EAFRD</td>
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<td>€313,059,463.00</td>
<td>€313,149,965.00</td>
<td>€313,007,411.00</td>
<td>€312,891,690.00</td>
<td>€312,764,355.00</td>
<td>€312,570,314.00</td>
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<td>Seafood Development Programme</td>
<td>EMFF</td>
<td>€147,601,979</td>
<td>€20,231,798.00</td>
<td>€20,490,256.00</td>
<td>€20,677,561.00</td>
<td>€21,012,701.00</td>
<td>€21,501,645.00</td>
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<td>Total</td>
<td></td>
<td>€3,357,982,641</td>
<td>€499,665,816</td>
<td>€493,974,981</td>
<td>€467,004,911</td>
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<td>€472,954,683</td>
<td>€475,747,300</td>
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1.7 **Request for transfer of Structural Funds’ allocations between categories of regions, where applicable**

As both of Ireland’s regions are categorised as more developed regions, this does not apply.

1.8 **Transfer from the European Territorial Cooperation goal to the Investment for Growth and Jobs goal, where applicable, by category of region**

Ireland will not be transferring funding from the ETC Goal to the Investment for Growth and Jobs goal.

1.9 **Request for a transfer of technical assistance to the European Commission, where applicable**

While Ireland meets the requirements laid down in Article 24 (1) of EU Regulation 1303/2013, the Irish Authorities do not intend requesting that any resources be transferred to Technical Assistance.
1.10 **Information on the allocation related to the performance reserve, broken down by ESI Fund and, where appropriate, by category of region, and on the amounts excluded for the purpose of calculating the performance reserve**

The special allocation for the Youth Employment Initiative is excluded from the calculation and the application of the performance reserve. For the remaining Funds, the amounts excluded for the purpose of calculating the performance reserve and the allocation related to the performance reserve is set out in the table below.

**Table 12**  **Amounts excluded for the purposes of the calculation of the performance reserve**

<table>
<thead>
<tr>
<th>Fund</th>
<th>Category of region</th>
<th>Total Union support (EUR)</th>
<th>Matching ESF support to YEI (EUR)</th>
<th>CAP transfers</th>
<th>Union support subject to the performance reserve (EUR)</th>
<th>Performance reserve (EUR)</th>
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<tr>
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<td>More developed regions</td>
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<td>0</td>
<td>409,206,529</td>
<td>24,552,392</td>
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<td></td>
<td>Transition regions</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Less developed regions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Special allocation to outermost or sparsely populated regions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>

**TOTAL ERDF**

<table>
<thead>
<tr>
<th>Fund</th>
<th>More developed regions</th>
<th>542,436,561</th>
<th>68,145,419</th>
<th>474,291,142</th>
<th>28,457,469</th>
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<tr>
<td></td>
<td>Transition regions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Less developed regions</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>

**TOTAL ESF**

<table>
<thead>
<tr>
<th>Fund</th>
<th>More developed regions</th>
<th>2,190,592,153</th>
<th>607,000</th>
<th>2,189,985,153</th>
<th>131,399,109</th>
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<tr>
<td></td>
<td>Transition regions</td>
<td>0</td>
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<td>0</td>
</tr>
<tr>
<td></td>
<td>Less developed regions</td>
<td>0</td>
<td>0</td>
<td>0</td>
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</table>

**TOTAL (All Funds)**

<table>
<thead>
<tr>
<th></th>
<th>3,289,837,222</th>
<th>607,000</th>
<th>3,221,084,803</th>
<th>193,265,088</th>
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Section 2  Arrangements to Ensure the Effective Implementation of ESI Funds

2.1  Arrangements, in line with the institutional framework of the Member States, that ensure coordination between the ESI Funds and other Union and national funding instruments and with the EIB

2.1.1 Coordination between ESI Funds
The basis for coordination between the European Structural and Investment (ESI) Funds is provided for in the Common Provisions Regulation, ensuring consistency and alignment between the funds. This includes a framework for close coordination to ensure that co-financed interventions create synergies and that streamlining leads to a reduction of administrative cost and administrative burden for beneficiaries.

In the sections below, the PA sets out areas of intervention where the ESI Funds can work together in a complementary manner to achieve the thematic objectives set out in the proposed Common Provisions Regulation. Also set out are the arrangements for close coordination of programme management, implementation and monitoring in order to ensure synergies and avoid duplication and overlaps.

ERDF Regional OPs and the ESF Employability, Inclusion and Learning OP
There are several potential synergies between the objectives of the ESF co-financed programme and the ERDF co-financed Regional Operational Programmes.

• As a general principle, the up-skilling of the labour force across the regions to enhance employability will meet the evolving needs of the regional economies and will increase the competitiveness of enterprises, including micro-enterprises. Regional economic development requires a well-educated, capable and flexible workforce to increase productivity and adaptability within a competitive international environment;
• The micro-enterprise support programme provided by the Local Enterprise Offices will include training, mentoring and capability development programmes for would-be and existing entrepreneurs, complementary to the objectives of the ESF co-financed programme;
• The roll-out of high speed next generation broadband services across Ireland will be an enabler for the greater deployment of e-Government, e-health, e-learning services, thus promoting lifelong learning and social inclusion;
• The planned investment in energy efficiency and renewable energy services will stimulate the demand for skilled energy installers and technicians, thus creating an active labour market in this sector for the unemployed. It is anticipated that many of the energy services supported will be labour-intensive;
The research, technological development and innovation initiatives co-financed under the Regional Operational Programmes will be largely delivered through the higher education institutions and through their incubation and applied research facilities. These initiatives will create a demand for highly qualified researchers and research assistants, many of whom would otherwise be unemployed or would seek employment outside of the state;

There is also potential for complementarity with the integrated urban development measures in the Regional Operational Programmes, through addressing the human resource and social inclusion needs of the selected urban areas.

Mutual representation on the respective programme monitoring committees for each of the ESI funds will continue for the 2014-2020 period.

Rural Development Programme and ERDF OPs
It is envisaged that the Rural Development Programme for Ireland 2014-2020 will be built around a number of key investment priorities, namely:

- Facilitating competitiveness, modernisation and restructuring;
- Promoting sustainability; and
- Enhancing quality of life and social inclusion in rural areas.

The first two of these priorities are directed primarily at restructuring and investment in the agriculture and forestry sectors, while the third priority, is aimed at the diversification of the wider rural economy and the provision of services to rural communities, with a particular emphasis on the sustainable exploitation of sectors such as food, rural tourism, and indigenous crafts.

The investment priorities selected for the Rural Development Programme and the Regional Operational Programmes will complement each other in many ways as follows:

- By contributing to the competitiveness, innovation capacity and sustainability of the regions, which contain extensive rural areas from peri-urban to rural heartland to remote and coastal. The territorial challenges facing rural areas have been analysed as part of the Needs Analysis, for the ERDF and ESF programmes, as set out in Section 1.1.2.2;
- ERDF co-financed investment in next generation broadband will ensure the progressive rollout of high speed broadband services to all parts of Ireland, following a comprehensive mapping exercise which will identify areas that will not be provided with high speed broadband from commercial telecommunications providers. These areas, by definition will be largely rural towns, villages and open countryside. Thus a significant potential digital divide affecting rural areas will be addressed under the Regional OPs;
- Co-financing of energy efficiency and renewable energy sectors will complement the supports via the EAFRD funded programme for on-farm bio-mass production and distribution and community-based energy initiatives, both of which will contribute to Ireland meeting its low-carbon economy objectives;
• Support for entrepreneurship and business development provided by the Local Enterprise Offices across the country will complement the supports provided to natural resource-based rural enterprises under the Rural Development Programme. Micro-enterprise supports via the Regional OPs can include supports for the establishment and expansion of off-farm enterprises by farmers and rural dwellers;

• Investments in research, technological development and innovation under the Regional OPs will focus on the research priority areas identified in the recent national research prioritisation exercise. These priorities include several that are relevant to the agri-food sectors; and

• The ERDF has a particular remit for integrated urban development, with a minimum 5% of ERDF resources to be allocated to this objective. This will complement the focus on integrated rural development under the Rural Development Programme.

The Regional Assemblies have been consulted on the Strategy and content for the Rural Development Programme 2014-2020 and there will be a continuation of the inclusion of representatives from the Regional Operational Programme Managing Authorities on the Rural Development Programme Monitoring Committee. Complementarity with all EU and national funding instruments will be ensured for all interventions funded under LEADER.

European Maritime and Fisheries Fund and the Regional OPs

It is envisaged that support under the European Maritime and Fisheries Fund (EMFF) programme for Ireland 2014-2020 will focus on maximising the value added of catches and seafood products and the sustainable development of coastal areas.

There are potential complementarities and synergies in a number of areas between the EMFF programme and the ERDF co-financed programmes

• The Regional Operational Programmes will support complementary research and innovation investments, including those related to marine sectors, consistent with the recent prioritisation of this sector under the Research Prioritisation Exercise. Several research institutions including universities, institutes of technology and the Marine Institute have established specialisations in marine research and these centres will be eligible for support either individually or collaboratively, under the Regional Operational Programmes;

• Enterprises which seek to add value to marine products or provide innovative marine services will be eligible for support under the micro-enterprise supports provided from the Regional Operational Programmes;

• As stated above, ERDF co-financed investment in next generation broadband will ensure the progressive roll-out of high speed broadband services to all parts of Ireland, following a comprehensive mapping exercise which will identify areas that will not be provided with high speed broadband from commercial telecommunications providers. These areas will include peripheral coastal areas, and the provision of high speed broadband services to households and business premises in these areas will make a major contribution to the sustainable development of coastal communities;
The generation of off-shore renewable energies (wind, wave, tidal) has been recognised as having enormous potential in Ireland. Projects with commercial potential in this sector will be eligible for support through the planned financial instrument for renewable energy and resource efficiency. These will add value to the economies of coastal communities.

In addition, the Regional OP Managing Authorities have taken account of the Strategic Plan for the marine sector, “Harnessing Our Ocean Wealth” and the Atlantic Area Sea-basin strategy in undertaking the Needs Analysis and the identification of investment priorities for the 2014-2020 period. The MAs of both OPs will continue to be represented on the Monitoring Committee of the other programme for the 2014-2020 period.

Marine Coordination Group
An integrated approach across Government is essential to ensure Ireland maximises the potential of its Atlantic resources. A high-level Marine Coordination Group (MCG) has been established under the auspices of the Department of Agriculture, Food and the Marine to prepare an integrated marine plan to dramatically improve Ireland’s ability as a nation and people to harness our ocean wealth. The MCG is chaired at Ministerial level and includes senior representatives of all Government Departments with marine-related responsibilities. The MCG monitors progress on the implementation of HOOW.

Two operational Task Forces are being developed to work under the auspices of the MCG, one to address Enabling actions and the other to address Development actions. A critically important role of these Task Forces, drawn from the relevant Departments and Agencies as well as external participants, will be to provide the unifying horizontal support for the policies and programmes established by the Departments. This horizontal component reflects the high degree of cross-Department cooperation needed for the various marine sectoral policy and programme goals to be achieved. The Task Forces will support the integration, cohesion and alignment of key players and actions across Government to achieve our goals.

Co-ordination in Delivery of ETC and PEACE Programmes
For the 2014-2020 programming period, Ireland will be included (either full territory or partially) in the following European Territorial Co-operation Programmes:

- Atlantic Area Transnational Co-operation Programme;
- Ireland/Scotland/Northern Ireland Cross-Border Programme;
- Ireland-Wales Programme Cross-Border Programme;
- Northern Periphery and Arctic Transnational Co-operation Programme;
- North West Europe Transnational Co-operation Programme; and
- INTERREG V Inter-regional Programme.

The Irish authorities will be represented on the Steering and Monitoring Committees for all of these programmes and are currently actively engaged in the preparatory work for the 2014-2020 period for all of these programmes. The Irish representatives on these bodies represent the regional and national authorities responsible for Structural Funds, while the National
Contact Points for the transnational co-operation programmes are hosted by the ERDF Managing Authorities, thus ensuring clear linkages with the ERDF investment priorities for Ireland.

The thematic priorities for these programmes are not yet finalised, but it is expected that there will be a high degree of overlap with the themes selected. Many of the expected beneficiaries under the ERDF co-financed programmes in Ireland are also likely to participate in the ETC programmes, including, higher education institutions and research bodies, enterprise support agencies, regional bodies, local authorities and energy agencies. In addition, further synergies between the RDP and the ETC Programmes will be addressed when the RDP is further developed.

**PEACE IV Programme**
The PEACE IV Programme, managed on behalf of the UK and Irish Governments by the Special EU Programmes Body is of particular relevance to the Border, Midland and Western Region, as its eligible area includes the six Border Counties.

The overall focus of the current PEACE programme is to reinforce progress towards a peaceful and stable society and to promote reconciliation through building positive relations, creating shared public spaces and developing key institutional capacities for a shared society.

The BMW Regional OP Managing Authority is consulted on the development of the PEACE IV Programme and is represented on the Programme Monitoring Committee, Steering Committee and several Working Groups. It is expected that the integrated urban development initiatives supported under the Regional OP will include urban centres in the Border Counties thus contributing in a complementary manner to creating shared spaces. The enhancement of the overall economy of the Border region with the support of the BMW Regional OP will also create a more favourable environment for peace and reconciliation.

**National Partnership Structures**
It is intended to maintain the existing structures while taking account of the European Code of Conduct on Partnership (ECCP). The key components will be:

- Operational Programme Monitoring Committees
- National Coordination Committee of the Funds
- Partnership Agreement Monitoring Committee

**Operational Programme Monitoring Committees**

*Functions*

Article 47 of the Common Provisions Regulation (CPR) requires Member States to set up a Monitoring Committee for each Operational Programme within three months of the date of notification by the European Commission to the Member State of the decision adopting an OP. A separate Monitoring Committee will be established for each OP with the exact membership of the monitoring committees being finalised when the draft OPs are further developed.
At the Programme level the Operational Programmes are designed to ensure that there is no overlap or duplication of interventions and that funding is targeted in line with the 11 thematic objectives outlined in EU Regulation 1303/2013.

Each Monitoring Committee will meet at least once a year and review progress in the implementation of the programme and progress towards achieving its objectives. Monitoring Committees will examine in detail all issues that affect the performance of the programme and will be consulted, and issue an opinion on, any amendment of the programme proposed by the managing authority.

Where necessary, the monitoring committee will issue recommendations to the managing authority regarding implementation of the programme and its evaluation and monitor actions taken as a result of its recommendations

In addition, the Managing Authorities will seek to ensure complementarity with other Funds to maximise the visibility and return from the available Funding. Where a possible subsidiarity issue arises at the Operational Programme level and it is not possible to resolve the matter, it will be referred to the NCCF for appropriate action.

**Membership**

At Operational Programme level, each OP will have a monitoring committee with the precise membership of the monitoring committees being finalised when the draft OPs are further developed. At this stage, it is envisaged that the monitoring committees will be comprised of the following partners:

a) competent urban and other public authorities,

b) economic and social partners and

c) relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, gender equality and non-discrimination.

To ensure complementarity across the ESI Funds, each OP Managing Authority will be represented on the monitoring committees of the other OPs. In addition, the MAs for each OP will also be represented at national level on the National Coordination Committee of the Funds and the Partnership Agreement Monitoring Committee (see below).

Membership of the Monitoring Committee for each OP will include representatives of the Managing Authority, the Department of Public Expenditure and Reform and the Government Departments responsible for implementation. There will be representatives on the Committees from regional/local authorities, organisations representing civil society and a relevant Government Department to represent each of the horizontal interests. Gender balance will be promoted on the Monitoring Committee. The presence on the monitoring committees of bodies/representative organisations for people with disabilities should ensure a
disability focus in the monitoring of programmes and projects. The European Commission services will be represented in an advisory capacity.

**National Coordination Committee of the Funds (NCCF)**

**Functions**
In accordance with EU Regulation 1303/2013, Ireland has put in place suitable mechanisms that will ensure coordination between the ESI funds and other EU and national instruments.

At the National level a Committee on Coordination of EU Funds has been established to address cooperation and demarcation issues between ERDF/ESF, EFF and EAFRD. The role of the Committee will be to put in place, where necessary, appropriate systems to address these issues in the Operational Programmes, and address any implementation issues that may warrant demarcation in the operational programmes and any plans for new programmes to ensure that the Funds are not overlapping.

The NCCF will also address cooperation, complementarity, subsidiarity and implementation issues between the ESI OPs and between these programmes and other Union instruments such as Horizon 2020, COSME, LIFE, Erasmus+ etc.

**Membership**
The NCCF is comprised of representatives from the following organisations:

- Department of Public Expenditure and Reform,
- Department of Agriculture, Food and the Marine,
- Department of Education and Skills
- Department of Jobs, Enterprise and Innovation,
- Department of Environment, Community and Local Government,
- Department of Communications, Energy and Natural Resources
- The Border, Midland and Western Managing Authority,
- The Southern and Eastern Regional Managing Authority
- The Special EU Programmes Body

**Partnership Agreement Monitoring Committee (PAMC)**
The Department of Public Expenditure and Reform (DPER) has overall policy responsibility for the European Structural and Investment Funds and will act as overall Member State Managing Authority for all of the ESI Funds. The Department also has primary responsibility for the ERDF. The Department of Education and Skills (DES) will have primary responsibility for the ESF Operational Programmes. The Department of Agriculture, Food and Marine will have primary responsibility for the Rural Development Programme and the Seafood Development Programme.
Functions
DPER, as Member State Managing Authority, will chair the PAMC and the EU Commission will be represented on the PAMC in an advisory capacity. The role of the committee will be to oversee the implementation of the Operational Programmes under the Investment for Growth and Jobs Goal.

Membership
The membership of the PAMC will comprise the members of the NCCF together with national representatives of the economic and social partners and the Irish Environmental Network.

Gender balance will, as far as possible, be actively encouraged on all Monitoring Committees.

Designation of Authorities
For the Operational Programmes covered by the Partnership Agreement in Ireland, the Managing Authorities, Certifying Authorities and Audit Authorities for each of the OPs are set out in the table overleaf:
### Table 13  
Proposed Designations of Authorities

<table>
<thead>
<tr>
<th>National Operational Programmes</th>
<th>Managing Authority</th>
<th>Certifying Authority</th>
<th>Audit Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Development Programme</td>
<td>Department of Agriculture, Food and the Marine, Rural Development Division</td>
<td>Department of Agriculture, Food and the Marine, Finance Division (Paying Agency)</td>
<td>External consultants appointed in accordance with Article 9 of 1306/2013 (Certification Body)</td>
</tr>
<tr>
<td>Employability, Inclusion and Learning Operational Programme</td>
<td>Department of Education and Skills</td>
<td>Department of Education and Skills</td>
<td>ESF Financial Control Unit, Department of Education and Skills</td>
</tr>
<tr>
<td>Border, Midland and Western Regional Operational Programme</td>
<td>BMW Regional Assembly</td>
<td>Department of Public Expenditure and Reform</td>
<td>Internal and EU Audit Unit, Department of Public Expenditure and Reform</td>
</tr>
<tr>
<td>South &amp; Eastern Regional Operational Programme</td>
<td>S&amp;E Regional Assembly</td>
<td>Department of Public Expenditure and Reform</td>
<td>Internal and EU Audit Unit, Department of Public Expenditure and Reform</td>
</tr>
<tr>
<td>Seafood Development Programme</td>
<td>Department of Agriculture, Food and the Marine, Marine Agencies &amp; Programmes Division</td>
<td>Department of Agriculture, Food and the Marine, Finance Division</td>
<td>Department of Agriculture, Food and the Marine, Internal Audit Unit</td>
</tr>
<tr>
<td>European Territorial Co-operation Programmes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PEACE</td>
<td>Special EU Programmes Body</td>
<td>Special EU Programmes Body</td>
<td>Special EU Programmes Body</td>
</tr>
<tr>
<td>Ireland-NI-Western-Scotland</td>
<td>Special EU Programmes Body</td>
<td>Special EU Programmes Body</td>
<td>Special EU Programmes Body</td>
</tr>
</tbody>
</table>

**Regional Contact Points**

<table>
<thead>
<tr>
<th>Ireland-Wales</th>
<th>Wales (MA + CA)</th>
<th>S&amp;E Regional Assembly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic Area</td>
<td>Portugal</td>
<td>BMW Regional Assembly</td>
</tr>
<tr>
<td>Northern Periphery</td>
<td>Sweden</td>
<td>BMW Regional Assembly</td>
</tr>
<tr>
<td>North West Europe</td>
<td>Sweden</td>
<td>S&amp;E Regional Assembly</td>
</tr>
</tbody>
</table>

*Functions of the Managing Authority*

In general the implementation of EU Regional Policy investment at programme and project level will be the responsibility of the relevant Operational Programme Managing Authority. Each Managing Authority will also be responsible for the efficiency and correctness of the management and implementation of the programme. The Managing Authority will report to a
Monitoring Committee which will monitor progress of the Programme in terms of both its financial performance and achievement of physical progress. The Managing Authority shall be responsible for managing the operational programme in accordance with the principle of sound financial management.

Functions of the Certifying Authority
The functions of the Certifying Authority are defined in Article 126 of EU Regulation 1303/2013. Generally, the CA certifies the completeness, accuracy and veracity of expenditure and submits payment applications to the EU Commission.

It is important to ensure that effective systems of financial management and control are in place at all levels within each Operational Programme as required under the Regulations. Such controls should ensure that resources are used in a manner consistent with programme objectives, achieve their intended results, are protected from waste, fraud, and mismanagement and that all relevant local and EU regulations are adhered to.

In relation to EAFRD, functions of the Paying Agency are set out in Article 7 of Regulation 1306/2013.

Functions of the Audit Authorities
The functions of the Audit Authority for the ERDF are defined in Article 127 of EU Regulation 1303/2013. In relation to EAFRD, functions of the Certification Body are set out in Article 9 of Regulation 1306/2013. Generally, these bodies ensure that audits are carried out on the management and control systems, on an appropriate sample of operations and on the annual accounts.

The Operational Programmes will also be subject to audit by the Internal Audit Units of the relevant Government Departments and by the Office of the Comptroller and Auditor General, and the Local Government Audit Service.

Ireland is opting to exercise its entitlement to proportionality in the control of the operational programmes, particularly the derogations referred to in Article 4 (5) of EU Regulation 1303/2013 setting out the rules for the implementation of the OP.

National structures will be put in place to monitor implementation of the new programmes including a Common Strategic Framework (CSF) Monitoring Committee whose membership is representative of the partners outlined in Article 5 of EU Regulation 1303/2013, and regular reports on progress on implementation will be supplied to that Committee and to the Operational Programme Monitoring Committees during the 2014 – 2020 period.
Implementation of Operational Programmes
The Investment for Jobs and growth Goal will be addressed by Ireland through:

- Two regional Operational Programmes for the Border Midland and Western Region and for the Southern and Eastern Region. These Programmes will be part-funded by the European Regional Development Fund. The Border, Midland and Western Regional Assembly will prepare and manage the Operational Programme for that Region and the Southern and Eastern Regional Assembly will prepare and manage the Operational Programme in their Region.

- A national Operational Programme focusing on improving employability, inclusion and learning and part-funded by the European Social Fund will be prepared and managed by the Department of Education and Skills.

- A national Rural Development Programme to address economic and social issues affecting rural communities is being prepared and will be managed by the Department of Agriculture, Food and the Marine (DAFM)

- A national maritime and fisheries programme to address economic and social issues affecting coastal and maritime communities is also being prepared and will be managed by DAFM.
2.1.2 Coordination of ESI Funds and other Union and National funding instruments and the EIB

Ireland is keen to ensure consistency at programming and implementation stages between interventions supported by the ESI Funds and the objectives of other Union policies. To this end, the Irish Authorities will seek to identify and exploit complementarities between different Union instruments, optimise existing structures and where necessary, establish new ones, avoid duplication of effort, identify areas where additional financial support is needed and make full use of the potential to combine support from different instruments to deliver coherent and streamlined funding opportunities for beneficiaries.

By reference to the implementation of aspects of Ireland’s Smart Specialisation Strategy, areas of activity with potential for co-ordination between the ESI funds and other Union policies may include:

- Development of research infrastructures and e-infrastructures of European interest and recognised as vital to undertaking ground-breaking research;
- Collaboration between emerging centres of excellence and innovative regions through ‘Twinning’, to significantly strengthen a specific field of research in an emerging institution by linking it to at least two leading international institutions and ‘Teaming’ to create new centres of excellence, or significantly upgrade existing ones, in regions that are performing poorly in terms of R&D and innovation by teaming-up with a leading counterpart institution elsewhere in Europe;
- Building links with innovative clusters and recognising excellence in less developed regions;
- Establishing “European Research Area (ERA) Chairs” to attract outstanding academics, to institutions located in less developed regions but with a clear potential for research excellence;
- Supporting access to international networks for researchers and innovators who are less involved in the ERA or from less developed regions;
- Contributing, as appropriate, to the European Innovation Partnerships (EIPs)- EIPs are challenge-driven collaborations, fusing EU, national and local/regional efforts in R&D and demand-side measures to accelerate research, development and market deployment of innovations and to achieve societal benefits targets more efficiently (rapid modernisation of associated sectors and markets). University College Cork and the Louth Age-Friendly County Initiative have jointly secured the first formal Irish involvement (as reference sites) in an EIP – for Active & Healthy Ageing;
- Preparing national institutions and/or clusters of excellence for participation in the European Institute of Innovation & Technology (EIT) and its Knowledge and Innovation Communities (KICs); and
- Hosting high-quality international researcher mobility programmes with co-funding from the Marie Sklodowska-Curie Actions.

Further information on synergies to be explored will be set out in the OPs.
The Irish Authorities will also explore potential synergies with other EU funding instruments such as:

- EU funding instrument for the environment (LIFE) Programme
- Erasmus+
- EASI Programme
- Connecting Europe Facility in implementing the Union policies for Trans-European Transport Networks of infrastructure (TENs) in the field of transport, telecommunications and energy, particularly for the financing of broadband networks and the digital service infrastructures
- Territorial cooperation activities under cohesion policy and the European Neighbourhood Instruments, in particular with regard to cross border cooperation activities in order to support deeper territorial integration,

**LIFE Programme**

Successful participation in the LIFE 2014-2020 Programme can bring benefits for Ireland in terms of supporting implementation of the 7th Environmental Action Programme and its nine priority objectives; increased compliance with environmental legislation; and increased investment in Ireland’s environment in areas such as Climate Mitigation and Adaptation, Air, Water, Waste, Resource Efficiency and Ireland’s Prioritised Action Framework (PAF) for Natura 2000.

There is scope to improve Ireland’s performance under the LIFE Programme, by expanding on the types of projects proposed to focus on improved compliance with environmental legislation and improving the quality of Ireland’s environment; by better integration of environmental goals into other sectoral strategies and operational plans, as well as targeted research to help advance policy, (e.g. on agriculture, land use and forestry accounting in climate policy; or green and circular economy issues).

The current LIFE Programme for the Environment (2014-2020) will broadly continue to act as a platform for the testing, implementation, updating and development of EU policy and legislation in this field through innovative pilot or demonstration project approaches which unlock environmental added value. These are intended to ensure policy learning, promote implementation and integration of environmental and climate objectives in Member States’ policies and act as a catalyst for more effective investments to transform Europe into a resource-efficient economy. It will be more closely aligned to the Europe 2020 objectives than the current LIFE+ programme has been, including a significant new emphasis on bottom-up climate action.

The current programme introduces the following two major changes:

- the creation of a sub-programme for Climate Action;
- the creation of a new type of "Integrated Project" designed to improve the implementation of environment and climate policy and their integration in other policies.
The aim of the ‘Integrated Project’ is to:

- Implement a plan, a programme or strategy required by EU environmental or climate-related legislation (e.g., River Basin Management Plan), or pursuant to other acts (e.g., Communication on Climate Change Adaptation), or developed by MS authorities (e.g., sustainable urban plan); and
- Have a larger territorial scale (e.g., national, regional, multiregional, large metropolitan area);
- Be primarily in the areas of nature, including, inter alia, Natura 2000 network management, water, waste, air and climate change mitigation and adaptation.

In addition, applicants are required to identify complementary projects with separate sources of funding (EU and/or National; Public and/or Private) which complement the environmental objectives of the LIFE project.

The protection and conservation of the country’s Natura 2000 sites will fall primarily on the rural and to a lesser extent coastal, populations as the vast majority of these sites lie within these areas of the country. This has some implications for social and economic development in these areas, though proper management of development can minimise any potential negative effects of these designations.

References to the LIFE Programme will be incorporated in the various Operational Programmes, as appropriate. In line with the intervention logic, needs analyses and funding priorities identified.

**Erasmus+ programme**

The potential synergies emerging from the Erasmus+ programme reside in its overarching objective which is based on the premise that investing in education and training is the key to unlocking people's potential, increasing their personal development, gaining new skills and boosting their job prospects, regardless of their age or background. In addition to these concerns it aims to support the modernisation of education and training systems.

In line with the intervention logic, needs analyses and funding priorities identified, references to the Erasmus+ Programme will be incorporated in the various Operational Programmes, as appropriate.

**EU Programme for Employment and Social Innovation (EaSI)**

EaSI is managed directly by the European Commission. It brings together three EU programmes managed separately between 2007 and 2013: PROGRESS, EURES and Progress Microfinance.

As of January 2014, these programmes form the three axes of EaSI. They support:

- the modernisation of employment and social policies with the PROGRESS axis (61% of the total budget);
- job mobility with the EURES axis (18% of the total budget);
• access to micro-finance and social entrepreneurship with the Microfinance and Social Entrepreneurship axis (21% of the total budget).

The total budget for 2014-2020 is €919,469,000 in 2013 prices. In line with the intervention logic, needs analyses and funding priorities identified, references to the EaSI Programme will be incorporated in the various Operational Programmes, as appropriate.

Connecting Europe Facility
The Connecting Europe Facility (CEF) is a genuinely European instrument aimed at supporting the development of high-performing, sustainable and efficiently interconnected trans-European networks in the field of energy, telecommunications and transport.

For transport infrastructure, CEF makes available €26 billion across all Member States. This triples the financing currently available to support the new TEN-T core network development. This financing will act as "seed capital" to stimulate further investment by Member States to complete difficult cross-border connections and links which might not otherwise get built.

For the same period CEF investments will focus in particular on projects with high EU added value, such as building missing cross-border links and removing bottlenecks along main trans-European transport corridors. By improving links between different parts of the EU, it will become easier for different countries to exchange goods and people with each other. It is expected that Ireland will seek funding from the CEF in the 2014-2020 period.

There are also several possible complementarities and synergies between the priorities and potential actions of the individual ESI funds and across each of the funds, including the ETC programmes as noted above. In addition strong potential exists between the objectives of the ESI co-financed programmes and other Union funds namely:
- Horizon 2020 (research and innovation);
- COSME (competitiveness of small businesses);
- Creative Europe (culture and creative industries);
- Erasmus+ (lifelong learning, youth and sport);
- EASI (employment and social innovation)
- 7th Environmental Action Programme

Horizon 2020
Horizon 2020 is an integrated, coherent and flexible funding system that covers all research and innovation funding currently provided through the Framework Programme for Research and Technical Development, the Competitiveness and Innovation Framework Programme (CIP) and the European Institute of Innovation and Technology (EIT) and the activities of the Knowledge and Innovation Communities (KICs).

Ireland has strengthened coordination and complementarities between the Horizon 2020 Programme and the Programme for the Competitiveness of Enterprises and small and medium-
sized enterprises (COSME). The National Support System for Horizon 2020 coordinated by Enterprise Ireland includes arrangements for coordinated support from Horizon 2020 and COSME. The High Level Group on Horizon 2020 chaired by the Department of Jobs Enterprise and Innovation and comprising relevant agencies, funders and representative bodies of research performing organisations will oversee arrangements for opportunities to be sought whereby projects co-funded under the ERDF may compete for funding in Horizon 2020. Alternatively projects funded under FP7 or Horizon 2020 may benefit from support via the Regional OPs.

“Development and Implementation of the National Research Prioritisation Exercise, Ireland’s national smart specialisation strategy” was sent to the European Commission in mid-December 2013. Priority areas identified in the National Research Prioritisation Exercise, which is the core element of Ireland Smart Specialisation Strategy for Research and Innovation, include areas relevant to agriculture as well as the marine sector, among others.

A number of working groups were established by the Prioritisation Action Group (PAG) and charged with developing Action Plans for each of the Priority Areas. The working groups were chaired by PAG members, supported by Forfás, and comprised members from all research funders supporting that particular Priority Area. To ensure their implementation in a holistic manner, each Action Plan has been assigned a Champion who, in almost all cases, chaired the relevant working group which developed the Action Plan in the first instance and thus has a detailed knowledge of, and a strong connection with the Plan.

Meetings of the Champions and lead funding agencies take place regularly to drive forward implementation of the Action Plans. As each action has a completion date, quarterly reports on progress are prepared and presented to PAG who have responsibility for overseeing their implementation. It is intended to publish an Annual Update Report during 2014, detailing progress up to the end of 2013. Each Champion has been asked to prepare a narrative for inclusion in this Report outlining key achievements and challenges in their respective Priority Areas.

The European Research Area (ERA) priorities and actions addressed to Member States listed in the Commission Communication “A Reinforced European Research Area Partnership for Excellence and Growth” have been taken into account in the development of Ireland’s Smart Specialisation Strategy for Research and Innovation.

The National Research Prioritisation Exercise, which is the core element of Ireland Smart Specialisation Strategy for Research and Innovation, includes provisions to enhance the effectiveness of the national research system, the labour market for researchers and optimal circulation, access to and transfer of scientific knowledge as well as enhancing the conditions for further transnational cooperation. The European Research Area Progress Report 2013 Staff

Working Document\textsuperscript{67} notes that the science technology and innovation system in Ireland is well aligned with the ERA priority to promote effective national research systems, with peer-reviewed competitive funding continuing to prevail in Ireland.

The Commission has appointed consultants to examine Ireland’s Smart Specialisation Strategy document in order to confirm it is in line with what is envisaged under the Regulations for a Smart Specialisation Strategy.

In line with the intervention logic, needs analyses and funding priorities identified, references to the Horizon 2020 Programme will be incorporated in the various Operational Programmes, as appropriate.

**COSME**
The first EU instrument to be dedicated entirely to SMEs largely continues the enterprise (i.e. non-innovation) aspects of the outgoing Competitiveness & Innovation Programme (CIP).

In line with the intervention logic, needs analyses and funding priorities identified, references to the COSME Programme will be incorporated in the various Operational Programmes, as appropriate.

**Creative Europe**
The new Creative Europe programme for the arts, culture, heritage and related areas, draws together the current Culture, MEDIA and MEDIA Mundus programmes under a single framework to create a simplified and more accessible gateway for European cultural and creative professionals.

In line with the intervention logic, needs analyses and funding priorities identified, references to the Creative Europe Programme will be incorporated in the various Operational Programmes, as appropriate.

**7th Environmental Action Programme**
Over the past decades the European Union has put in place a broad range of environmental legislation. As a result, air, water and soil pollution has significantly been reduced. Chemicals legislation has been modernised and the use of many toxic or hazardous substances has been restricted.

The 7th Environment Action Programme (EAP), which came into force in January 2014, will guide European environment policy until 2020 and identifies three key objectives:
- to protect, conserve and enhance the Union’s natural capital
- to turn the Union into a resource-efficient, green, and competitive low-carbon economy

\textsuperscript{67} http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SWD:2013:0333(54):FIN:EN:PDF
• to safeguard the Union’s citizens from environment-related pressures and risks to health and wellbeing

In line with the intervention logic, needs analyses and funding priorities identified, references to the 7th Environmental Action Programme will be incorporated in the various Operational Programmes, as appropriate.

**Fund for European Aid to the most Deprived (FEAD)**
The Fund for European Aid to the Most Deprived (FEAD) supports EU countries' actions to provide material assistance to the most deprived. This includes food, clothing and other essential items for personal use, e.g. shoes, soap and shampoo. Material assistance needs to go hand in hand with social inclusion measures, such as guidance and support to help people out of poverty.

FEAD support will help people take their first steps out of poverty and social exclusion. The FEAD will help the most deprived people by addressing their most basic needs, which is a precondition for them to be able to get a job or follow a training course such as those supported by the ESF. Ireland has been allocated almost €22.8m for this programme in 2014-2020.

**Financial Instruments**
A Financial Instrument (FI) is essentially a fund which is set up using EU Structural Funds with the aim of investing in projects and leveraging other financing, including that from the European Investment Bank (EIB). Instead of using EU funds as a grant, an FI invests in projects that generate a return. An example of such an instrument is JESSICA (Joint European Support for Sustainable Investment in City Areas), a policy initiative of the European Commission (EC) developed jointly with the EIB and in collaboration with the Council of Europe Development Bank (CEB).

Ireland is supportive of the use of Financial Instruments, such as JESSICA and JEREMIE, as well as the SME Initiative to increase access to finance by pooling resources from the European Structural & Investment Funds (ESIF), the EIB and other EU Programmes.

**JESSICA Feasibility Study**
In 2012, the Department of Public Expenditure and Reform invited the EIB to undertake a feasibility study on Ireland regarding the potential to use FIs to deliver parts of our next Structural Funds Programmes.

The EIB presented the results of its feasibility study at a conference hosted by the Minister for Public Expenditure & Reform last June. The key areas identified for possible JESSICA intervention were resource efficiency (including energy efficiency) and retrofitting of social housing. Expenditure in both of these areas would contribute to Ireland meeting its target of 20% of ERDF expenditure to be spent on promoting a shift towards a low carbon economy.
Ireland’s Position
The considerable benefits of establishing an FI must be weighed against the associated risks and opportunity costs including the costs of set-up and operation, alternative uses to which the funds committed to the FI could be put and the availability of a sufficiently robust pipeline of viable and eligible projects for investment.

Energy Efficiency
The Irish Authorities investigated with the Department of Communications, Energy and Natural Resources the possibility of using the National Energy Efficiency Fund as a Financial Instrument but this option was not considered feasible for various reasons including selection of a fund manager and timing differences between the establishment of the Fund and the completion of the OPs. Ireland will meet its 20% low carbon target using other expenditure on energy efficiency. The use of FIs did not feature in the SWOT or Needs Analysis conducted in relation to the preparation of the EAFRD Operational Programme.

Social Housing Retrofits
In February 2014, DPER engaged the EIB to build on work already undertaken to conduct an options appraisal to assess how best to combine ERDF resources with national public sector resources and/or EIB lending in the area of social housing retrofits. The funding model selected should not interfere with possible funding mechanisms for social housing generally (outside of retrofitting) and potential for future lending into this area by the EIB.

The EIB completed its draft report in June and DPER discussed this draft report with the EIB and other interested stakeholders including other DPER Divisions, Department of Finance, Department of Environment, Community and Local Government, the Regional Assemblies and the Housing Finance Agency. The final report68 was presented in September and is available on the DPER website.

European regulations require that ERDF funding can only be used for energy efficiency measures in social housing (and not, for example, for new construction). The report appraised the options available and recommended that ERDF funding be channelled by way of grant alongside, and separate from, any other potential dedicated funding vehicle for social housing generally. In this way, the dedicated funding vehicle would be able to provide funding for all forms of social housing investment.

The EIB report also recommended the development of a dedicated funding vehicle for the wider social housing sector that can leverage more affordable, long term private financing for social housing projects including EIB lending. Financing options for social housing more generally are being considered by the relevant Government Departments.

68 http://www.per.gov.ie/eu-cohesion-policy-2014-2020/
EU SME Initiative
The wider EU SME Initiative proposed by the EIB was also considered. Earlier in 2014, the Departments of Public Expenditure & Reform, Finance and Jobs, Enterprise and Innovation held exploratory discussions with the Commission, EIB and EIF concerning possible participation by Ireland. The relevant Departments undertook the necessary market testing to examine the level of interest and capacity of prospective financial intermediaries to participate in this initiative. The outcome of these investigations suggest that, at this stage, Ireland is not participating in this initiative but the use of this initiative is not ruled out a later stage in the programming period. Repayable grants are currently used in the microenterprise sector.

Conclusion
Following extensive investigations by key stakeholder Departments, including two reports by the EIB, into the use of Financial Instruments with European Structural and Investment Funds, it is not proposed, at this stage, to use Financial Instruments in Ireland’s ESI Funded programmes. However, this issue is continuing to be examined for EMFF and the potential for their use with other ESI funds will be kept under review.
2.2 The information required for ex ante verification of compliance with the rules on additionality

Additionality refers to the principle that support from the Funds for the Investment for growth and jobs goal shall not replace public or equivalent structural expenditure by a Member State. Article 86 of EU Regulation 1303/2013 sets out the regulations in respect of additionality.

Verification by the Commission of the principle of additionality should concentrate on the Member States in which less developed and transition regions cover at least 15% of the population because of the scale of the financial resources allocated to them. As both regions in Ireland are deemed to be more developed regions, Ireland's compliance will not be verified by the Commission.
2.3 A summary of the assessment of the fulfilment of applicable ex ante conditionalities in accordance with Article 19 and Annex XI of the CPR at national level and, in the event that the applicable ex-ante conditionalities are not fulfilled, of the actions to be taken, the bodies responsible, and the timetable for implementation of those actions

Annex XI of EU Regulation 1303/2013 outlines general and thematic ex-ante conditionalities which must be fulfilled by Member States in order to draw down EU funding in the new round and the ones applicable to Ireland are outlined below.
<table>
<thead>
<tr>
<th>Applicable Ex-ante conditionality at National level</th>
<th>Applicable Ex-Ante Conditionality Fulfilled</th>
<th>Criteria</th>
<th>Criteria Fulfilled</th>
<th>Reference (if fulfilled)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Research and innovation: The existence of a national or regional smart specialisation strategy in line with the National Reform Program, to leverage private research and innovation expenditure, which complies with the features of well-performing national or regional R&amp;I systems</td>
<td>Yes</td>
<td>A national or regional smart specialisation strategy is in place that: - is based on a SWOT or similar analysis to concentrate resources on a limited set of research and innovation priorities; - outlines measures to stimulate private RTD (Research Training and Development) investment; - contains a monitoring mechanism. - A framework outlining available budgetary resources for research and innovation has been adopted.</td>
<td>Yes</td>
<td>Links to the Report of the National Research Prioritisation Group together with supporting documents (action plans; monitoring framework) are listed below: <a href="http://www.forfas.ie/media/ffs20120301-Research_Prioritisation_Exercise_Report.pdf">http://www.forfas.ie/media/ffs20120301-Research_Prioritisation_Exercise_Report.pdf</a> <a href="http://www.forfas.ie/publication/search.jsp?t=/publications/2013/Title,11020,en.php">http://www.forfas.ie/publication/search.jsp?t=/publications/2013/Title,11020,en.php</a></td>
<td>A document setting out how Ireland’s National Research Prioritisation Exercise (NRPE) meets the relevant ex-ante conditionality criteria for a smart specialisation strategy for research and innovation, including a description of a monitoring mechanism and budgetary framework was submitted to the European Commission for consideration in December 2013. In accordance with article 19 and annex XI of the CPR and consistent with our institutional and legal framework, we have assessed and concluded that we meet the ex-ante conditionality criteria concerning thematic objective 1 – research, technological development and innovation. We have a national smart specialisation strategy in place and indicative multi-annual plans for budgeting and prioritisation of investments linked to Europe’s R&amp;D 2020 target. The strategy is based on analysis to concentrate resources on a limited set of R&amp;I priorities, has measures to stimulate private RTD investment, contains a monitoring mechanism; and has identified budget resources.</td>
</tr>
</tbody>
</table>
A detailed “Framework of Metrics and Targets for Monitoring Public Investment in Science, Technology and Innovation” has been drawn up to measure the outputs and impact of funding provided. This framework was adopted to stretch the public enterprise support system in order to maximise the impact of public investment in R&D under the National Research Prioritisation Exercise and to assess the success over time of the implementation of Research Prioritisation.

Ireland’s Smart Specialisation Strategy is a living policy with mechanisms already in place to assess performance, and commitment to develop a process to add priority areas or deprioritise others.

Our National Reform Programme sets out how we will achieve our national target to raise investment levels to 2.5% of GNP thereby contributing to our EU2020 targets.
<table>
<thead>
<tr>
<th>Applicable Ex-ante conditionality at National level</th>
<th>Applicable Ex-Ante Conditionality Fulfilled</th>
<th>Criteria</th>
<th>Criteria Fulfilled</th>
<th>Reference (if fulfilled)</th>
<th>Explanation</th>
</tr>
</thead>
</table>
| 1.2 Research and innovation infrastructure. The existence of a multi-annual plan for budgeting and prioritization of investments. | Yes | An indicative multi-annual plan for budgeting and prioritisation of investments linked to Union priorities, and, where appropriate, the European Strategy Forum on Research Infrastructures (ESFRI) has been adopted. | Yes | http://www.taoiseach.gov.ie/eng/Work_Of_The_Department/Economic_International_Northern_Ireland/Economic/NRP/NRP.html | National Reform Programme sets out measures to achieve Ireland’s Europe 2020 Strategy R&D expenditure target for 2020. This covers expenditure on research and innovation strategy and priorities, including infrastructures: 
Multiannual public expenditure allocations for the period 2014-2016, within which R&D allocations will be made by relevant Departments, have been determined: |

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<tr>
<th>Applicable Ex-ante Conditionality at National level</th>
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<th>Reference (if fulfilled)</th>
<th>Explanation</th>
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</thead>
<tbody>
<tr>
<td>2.2 Next Generation Network (NGN) Infrastructure: The existence of national or regional NGN Plans which take account of regional actions in order to reach the Union high-speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and of a quality in line with the Union competition and State aid rules, and to provide accessible services to vulnerable groups.</td>
<td>Yes</td>
<td>A national or regional NGN Plan is in place that contains:</td>
<td>Yes</td>
<td><a href="http://www.dcenr.gov.ie/Communications/Communications+Development/Next+Generation+Broadband/">http://www.dcenr.gov.ie/Communications/Communications+Development/Next+Generation+Broadband/</a></td>
<td>The National Broadband Plan, published in Autumn 2012, is a clear expression of the importance of broadband infrastructure to the achievement of Ireland’s economic and social objectives and outlines the Government’s commitment to delivering high speed broadband availability across the country. Delivery of this commitment is to be achieved through a combination of a State-led investment in those areas where it is evident that the market will not deliver and by ensuring that the environment in right to maximise investment by the private sector. A comprehensive mapping exercise will identify where the market is expected to deliver high speed broadband services over the coming years and consequently those areas that will need to be targeted by a State led intervention. The results of this mapping exercise will be published by end November 2014. The mapping exercise is a dynamic process and will be kept under constant review, thereby influencing the nature and extent of State intervention required. The full range of opportunities presented by a digital economy can only be further unlocked if the requisite infrastructure is in place to support the development of new applications, new connectivity, new ways of doing business and new</td>
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<td></td>
<td>— a plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments;</td>
<td></td>
<td><a href="http://www.dcenr.gov.ie/NR/rdonlyres/1EA7B477-741B-4B74-A08E-6350135C32D2/0/NBP.pdf">http://www.dcenr.gov.ie/NR/rdonlyres/1EA7B477-741B-4B74-A08E-6350135C32D2/0/NBP.pdf</a></td>
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<tr>
<td></td>
<td></td>
<td>— sustainable investment models that enhance competition and provide access to open, affordable, quality and future-proof infrastructure and services;</td>
<td></td>
<td><a href="http://www.dcenr.gov.ie/NR/rdonlyres/54AF1E6E-1A0D-413F-8CEB-2442C03E09BD/0/NationalDigitalStrategyforIreland.pdf">http://www.dcenr.gov.ie/NR/rdonlyres/54AF1E6E-1A0D-413F-8CEB-2442C03E09BD/0/NationalDigitalStrategyforIreland.pdf</a></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>— measures to stimulate private investment</td>
<td></td>
<td><a href="http://egovstrategy.gov.ie/">http://egovstrategy.gov.ie/</a></td>
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**Partnership Agreement Ireland 2014-2020**
ways of delivering public, private and community services to citizens.

It is recognised that any supply side measures need to have complementary demand side measures, if the benefits of a digital society are to be fully realised. To this end, the National Broadband Plan complements a range of developed and emerging Government initiatives that require high speed broadband in order to realise their full potential. These include the National Digital Strategy which seeks to stimulate business and consumer demand for ICT and the e-Government Strategy, encompassing e-Health and eLearning.

Other demand stimulation measures to encourage the uptake of broadband among consumers include the Broadband for Schools initiative and a Trading Online voucher Scheme to promote online trading by SMEs. The Department of Communications, Energy and Natural Resources also liaises with community groups such as LEADER Groups and the Irish Farmers’ Association in this regard.
3.1 Specific actions have been carried out to underpin the promotion of entrepreneurship taking into account the Small Business Act (SBA).

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<th>Applicable Ex-ante Conditionality at National level</th>
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<th>Reference (if fulfilled)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td><a href="http://www.oireachtas.ie/viewdoc.asp?DocID=22537">http://www.oireachtas.ie/viewdoc.asp?DocID=22537</a></td>
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</table>

The Companies Bill has now passed through all stages of the Irish Parliament and is expected to be enacted before the end of 2014. It contains significant simplification provisions in particular in relation to the private limited company. Under the new legislation, it will be possible, using a newer and more streamlined process, to incorporate a new company in Ireland with a single document model constitution and with the option of having only one director. This process is anticipated to be faster than the current incorporation process where it takes an average of 5 days to register a company and it is intended that the process will be capable of completion entirely online.

As part of the Irish Government’s Action Plan for Jobs 2012 Forfás undertook a “Review and Audit of Licences” across key sectors of the economy assessing 159 licences. The report found that businesses had to apply for a multiplicity of licences across many licensing authorities imposing a significant administrative burden. This project is a major initiative within the Irish Government’s Action Plan for Jobs 2013 and is a reformatory step in reducing the administrative burden and red tape for business. It is one of the Government’s Disruptive Reforms in the Action Plan for Jobs 2013. The Cabinet Committee on Economic Recovery and Jobs, chaired by the Taoiseach,
— measures have been put in place with the objective of reducing the time needed to get licenses and permits to take up and perform the specific activity of an enterprise taking account of the targets of the SBA;


agreed to proceed with the implementation of the recommendations in the report, including the introduction of an integrated licensing application system with a focus on the retail sector in the first instance incorporating up to 35 licences across 13 different licensing authorities.

The delivery of an integrated licensing application system for business offers real potential to ease the process of starting up a business in Ireland and will significantly reduce the work involved in annual renewals of licences. It will also contribute to maintaining Ireland’s position at the forefront of delivering advanced e-Government services and using Information Technology to reduce costs for business and improve the delivery of services to business.

It is expected that a service provider would be appointed and the system delivered in 2014.

Ireland has not adopted a specific strategy for implementing the Small Business Act. It implements SBA-related initiatives and measures as part of the Irish Governments Action Plan for Jobs which are reported on a quarterly basis.

The SME Performance Review represents one of the main tools employed by the European Commission to monitor and assess Member States’ performance in implementing the Small Business Act. DG Enterprise publishes Fact Sheets annually as part of the SME Performance Review. Data is based on reports prepared by consultants, including statistical information derived from Eurostat data.
— A mechanism is in place to monitor the implementation of the measures of the SBA which have been put in place and assess the impact on SMEs.

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<th>Applicable Ex-ante conditionality at National level</th>
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</table>
| 4.1 Actions have been carried out to promote cost-effective improvements of energy end use efficiency and cost-effective investment in energy efficiency when constructing or renovating buildings. | Yes | The actions are: — measures to ensure minimum requirements are in place related to the energy performance of buildings consistent with Article 3, Article 4 and Article 5 of Directive 2010/31/EU of the European Parliament and of the Council | Yes | **Article 3:**  
Building Regulations (Part L Amendment) Regulations 2011 (S.I. No. 259 of 2011)  
Dwelling Energy Assessment Procedure (DEAP) (Version 3.2.1)  
Building Regulations (Part L Amendment) Regulations 2008 (S.I. No. 259 of 2008)  
The Building Regulations (Part L Amendment) Regulations 2008 (S.I. No. 259 of 2008) introduced a new methodology (known as the Non-domestic Energy Assessment Procedure or “NEAP”) to calculate the energy demand and carbon dioxide emissions for buildings other than dwellings.  
Both the DEAP and NEAP methodologies have been developed having regard to the requirements of Annex I of the Directive.  
**Article 4:** Under Part L of the Building Regulations 1997 – 2011, significant minimum energy performance requirements for buildings are in place for both dwellings and buildings other than dwellings. |
In completing Ireland’s report to the European Commission on cost-optimal as required under Article 5 of Directive 2010/31/EU, it was confirmed that Ireland’s energy performance requirements for new dwellings are already in the cost-optimal range.

In addition to the regulations in respect of dwellings, the Department of the Environment, Community and Local Government has commenced a review of Part L of the Building Regulations in relation to buildings other than dwellings. The primary objectives of the review will be to introduce further requirements under the national building code that are designed to improve the energy performance and reduce the carbon dioxide emissions from buildings other than dwellings. It is intended that the proposed review will be completed having regard to Ireland’s cost-optimal calculations and new regulations/technical guidance published by end 2014.

— measures necessary to establish a system of certification of the energy performance of buildings consistent with Article 11 of Directive 2010/31/EU.

**Article 5:**


**Article 5:**
Ireland’s cost-optimal report was submitted to DG Energy in the European Commission on 21st March 2013.

As indicated previously, Ireland’s energy performance requirements for new dwellings are already in the cost-optimal range. The current review to Part L of the Building Regulations in respect of buildings other than dwellings will be carried out having regard to Ireland’s cost-optimal calculations. The new regulations/technical guidance are anticipated by end 2014.

Going forward, it is intended that all new regulations/technical guidance in respect of dwellings and buildings other than dwellings will be carried out having regard to Ireland’s cost-optimal calculations.

Regulations 3, 17, 20, 21 and 22 of the European Union (Energy Performance of Buildings) Regulations 2012 fulfil the requirements set out in Article 11 of Directive 2010/31/EU in relation to energy performance certificates. Schedules 1 to 4 inclusive set out the form of the energy performance certificates in Ireland. In brief, Ireland’s Building Energy Rating (BER) certificates are based on an individual assessment of the building unit concerned rather than an
assumed equivalence with a representative building.

Each BER certificate is accompanied by a comprehensive advisory report which sets out how improvements to the building envelope, building elements and building systems can be made in line with the appropriate relevant minimum requirements specified in Part L (Conservation of Fuel and Energy) of the Second Schedule to the Building Regulations 1997-2011. Recommendations are categorised by cost and by impact, having regard to the estimated cost, energy savings and payback periods. The advisory report also refers to other guidance and sources of relevant information.

BER certificates and advisory reports, as well as the DEAP and NEAP calculation methodologies that underpin them, are subject to on-going review by the Sustainable Energy Authority of Ireland in the light of operational experience and policy as well as regulatory developments at both domestic and European Union level. The latest improvements in the energy performance of dwellings introduced under the Building Regulations (Part L Amendment) Regulations 2011 as well as the improvements that will arise from the current review of Part L of the Building Regulations in respect of buildings other than dwellings and the future development of nearly zero-energy buildings
— measures to ensure strategic planning on energy efficiency, consistent with Article 3 of Directive 2012/27/EU of the European Parliament and of the Council

— measures consistent with Article 13 of Directive 2006/32/EC of the European Parliament and of the Council on energy end-use efficiency and energy services to ensure the provision to final customers of individual meters in so far as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings


The Better Energy Programme is one of the main energy saving mechanisms in the residential sector and is a key component of Ireland’s National Energy Efficiency Action Plan.
<table>
<thead>
<tr>
<th>Applicable RDP Ex-ante conditionality at National level</th>
<th>Applicable Ex-ante Conditionality Fulfilled</th>
<th>Criteria</th>
<th>Criteria Fulfilled</th>
<th>Reference (if fulfilled)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Good Agricultural and Environmental Conditions (GAEC): standards for good agricultural and environmental condition of land referred to in Chapter I of Title VI of Regulation (EU) Regulation (EU) No 1306/2013 are established at national level.</td>
<td>Yes</td>
<td>- GAEC standards are defined in national law and specified in the programmes</td>
<td>Yes</td>
<td><a href="http://www.agriculture.gov.ie/farmerschemespayments/crosscompliance/">http://www.agriculture.gov.ie/farmerschemespayments/crosscompliance/</a></td>
<td>National GAEC legislation is in place through various measures. Procedures are in place to ensure compliance with 1% inspection requirement. Wildlife Acts 1976 &amp; 2000</td>
</tr>
</tbody>
</table>
29 Chapter I of Title III of the Rural Development Regulation are defined at national level

4.3 Other relevant national standards: relevant mandatory national standards are defined for the purpose of article 29 Chapter I of Title III of the Rural Development Regulation.

http://www.agriculture.gov.ie/farmerschemespayments/singlepaymentscheme disadvantagedareasschemebeefdataprogrammebdp/

National Monuments (Amendments) Act 2004
Noxious Weeds Act 1936
Single Payment Scheme terms

National measures are in place that give effect to EU rules on the marketing of fertilisers.
<table>
<thead>
<tr>
<th>National measures and a national Nitrates Action Programme are in place under the joint responsibility of DAFM &amp; DoE.</th>
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</thead>
<tbody>
<tr>
<td>National measures and a National Action Plan on the Sustainable Use of Pesticides are in place.</td>
</tr>
<tr>
<td><a href="http://www.irishstatutebook.ie/2012/en/si/0155.html">Link</a></td>
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<tr>
<td><a href="http://www.irishstatutebook.ie/2012/en/si/0159.html">Link</a></td>
</tr>
<tr>
<td><a href="http://www.pcs.agriculture.gov.ie/Docs/National%20Action%20Plan%20for%20the%20sustainable%20use%20of%20pesticides.pdf">Link</a></td>
</tr>
<tr>
<td>Applicable Ex-ante conditionality at National level</td>
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<td>--------------------------------------------------</td>
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<tr>
<td>Employment services have the capacity to and do deliver: Comprehensive and transparent information on new job vacancies and employment opportunities taking into account the changing needs of the labour market.</td>
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<tr>
<td>Applicable Ex-ante conditionality at National level</td>
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<td>--------------------------------------------------</td>
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<tr>
<td>8.6. The existence of a strategic policy framework for promoting youth employment including through the implementation of the Youth Guarantee. This ex ante conditionality applies only for implementation of the YEI:</td>
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The focus of this document is on investing in young people to reach their potential, towards reducing inequality within society and to break cycles of intergenerational disadvantage.


The focus of this document is on investing in young people to reach their potential, towards reducing inequality within society and to break cycles of intergenerational disadvantage.
people, in particular those not in employment, education or training, in to the labour market.


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within society and to break cycles of intergenerational disadvantage.
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<th>Criteria</th>
<th>Criteria Fulfilled</th>
<th>Reference (if fulfilled)</th>
<th>Explanation</th>
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</thead>
</table>
The focus of this document is on investing in young people to reach their potential, towards reducing inequality within society and to break cycles of intergenerational disadvantage.
| Yes | contains measures supporting the achievement of the national poverty and social exclusion target (as defined in the National Reform Programme), which includes the promotion of sustainable and quality employment opportunities for people at highest risk of social exclusion, including people from marginalised communities; | Yes | National Action Plan for Social Inclusion 2007-2016 - The National Policy Framework for Poverty Reduction [http://www.socialinclusion.ie/documents/NAPinclusionReportPDF.pdf](http://www.socialinclusion.ie/documents/NAPinclusionReportPDF.pdf)

National Social Target for Poverty Reduction - Review of the National Poverty Target [http://www.socialinclusion.ie/NPT.html](http://www.socialinclusion.ie/NPT.html)

Social Inclusion Monitor - monitoring of the national poverty target |

National Reform Programme for Ireland 2014 – Chapter 4, Target 1 Employment pages 20-29, Target 5 ‘Poverty’ pages 45-52 and ‘Use of Structural Funds/ ESIF on pages 57-58


Joint Irish Prison Service & Probation Service Strategic Plan 2013 – 2015
Joint Irish Prison Service Strategic Plan 2013-2015


involves relevant stakeholders in combating poverty; Yes


The Department of Social Protection has been given the responsibility by the Government to convene the Social Inclusion Forum (SIF). SIF was established by the Government as part of the structures to monitor and evaluate Ireland’s National Action Plan for Social Inclusion 2007- 2016. The SIF is a key element of the government’s commitment to consult with all relevant stakeholders, including people experiencing poverty and the groups that represent them in the fight against poverty and social exclusion. The Forum provides an opportunity for engagement between officials from government departments, community and voluntary organisations and people experiencing...
<p>| Yes | Upon request, and where justified, relevant stakeholders will be provided with support for submitting project applications and for implementing and managing the selected projects. | Yes | Reference made in the National Action Plan for Social Inclusion to social inclusion initiatives and investment across a wide range of government departments aimed at improving quality of life and providing options to remove people from poverty, and in particular, the outcome of these initiatives. A variety of grants/funding is also referenced in the plan e.g. family literacy projects; special projects to support personal development, intensive training, counselling etc. for those who are most marginalised. | Relevant stakeholders are familiar with application procedures. Many have gained experience by participating successfully in such calls in the past. In any event, intermediary bodies provide information on funding possibilities as a matter of course. |</p>
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<tr>
<th>Applicable Ex-ante Conditionality at National level</th>
<th>Applicable Ex-Ante Conditionality Fulfilled</th>
<th>Criteria</th>
<th>Criteria Fulfilled</th>
<th>Reference (If fulfilled)</th>
<th>Explanation</th>
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<tbody>
<tr>
<td>10.2. Higher education: the existence of a national or regional strategic policy framework for increasing tertiary education attainment, quality and efficiency within the limits of Article 165 TFEU.</td>
<td>Yes</td>
<td>A national or regional strategic policy framework for tertiary education is in place with the following elements: – where necessary, measures to increase participation and attainment that: - increase higher education participation among low income groups and other under-represented groups, with special regard to disadvantaged people, including people from marginalised communities.</td>
<td>Yes</td>
<td><a href="http://www.hea.ie/sites/default/files/national_plan_for_equity_of_access_to_higher_ed.pdf">http://www.hea.ie/sites/default/files/national_plan_for_equity_of_access_to_higher_ed.pdf</a> Chapter 4 <a href="http://www.hea.ie/sites/default/files/national_plan_for_equity_of_access_to_higher_ed.pdf">http://www.hea.ie/sites/default/files/national_plan_for_equity_of_access_to_higher_ed.pdf</a> Chapter 3</td>
<td>Ireland develops and implements national access plans. Current plan is at the end of its implementation period (2008-2013). A plan for 2014-2016 is currently being drafted and in that regard a consultation document was issued in late summer 2014 with submissions due by 30/09/2014. In addition, the Higher Education Authority has commenced a rolling process of ‘strategic dialogue’ with higher education institutions. A key output of this process is a compact which is agreed by the HEA with each higher education institution and which sets out how that institution will contribute to the achievement of Ireland’s national higher education priorities, both as individual institutions and within collaborative clusters. Access, participation and lifelong learning is one of these priorities.</td>
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<td>reduce drop-out rates/improve completion rates;</td>
<td>Yes</td>
<td></td>
<td><a href="http://www.heade.ie/sites/.../national_strategy_for_higher_education">www.heade.ie/sites/.../national_strategy_for_higher_education</a></td>
<td>As above. Strategic Dialogue and institutional compacts address objectives and targets for retention and completion. In addition, Ireland has a national overarching strategic framework for higher education for the period 2010-2030. It is entitled the National Strategy for Higher Education</td>
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<tr>
<td>Measures</td>
<td>Action</td>
<td>Details</td>
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<td>Measures to encourage innovative content and programme design</td>
<td>Yes</td>
<td><a href="http://www.heather.ie/sites/.../national_strategy_for_higher_education_2030.pdf">www.heather.ie/sites/.../national_strategy_for_higher_education_2030.pdf</a></td>
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<tr>
<td>- Measures to increase employability and entrepreneurship that: -</td>
<td>Yes</td>
<td>Action in this area is guided within the broad framework of the National Strategy for Higher Education.</td>
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<td>- Encourage the development of &quot;transversal skills&quot;, including</td>
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<td>The Higher Education Authority is currently finalising an Engagement Strategy, which will provide a specific formal framework for</td>
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<td>entrepreneurship in relevant higher education programmes;</td>
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<td>engagement and collaboration between Irish higher education institutions and enterprise/industry. The engagement</td>
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<td>strategy will build on the broad framework set out in the national strategy for higher education.</td>
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<td>In addition, Ireland is implementing a range of measures designed to enhance the pipeline of job-ready graduates for industry and</td>
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<td>enterprise and enhance competencies in areas such as entrepreneurship within graduates' skills sets. Measures include</td>
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<td>Springboard ICT Skills Conversion. A national internship programme is under development.</td>
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<td>Reduce gender differences in terms of academic and vocational choices.</td>
<td>Yes</td>
<td>The HEA gathers and publishes gender data for the higher education system on an ongoing basis.</td>
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<tr>
<td></td>
<td></td>
<td>The HEA gathers and publishes gender data for the higher education system on an ongoing basis.</td>
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<td>Explanation</td>
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<td><strong>for the provision of skills development for various target groups where these are identified as priorities in national or regional strategic policy frameworks (for example young people in vocational training, adults, parents returning to the labour market, low skilled and older workers, migrants and other disadvantaged groups, in particular people with disabilities);</strong></td>
<td><strong>Yes</strong></td>
<td><strong>Priority target groups identified for the provision of FET are identified in the Further Education and Training Strategy <a href="http://www.education.ie/en/Publications/Policy-Reports/Further-Education-and-Training-Strategy-2014-2019.pdf">http://www.education.ie/en/Publications/Policy-Reports/Further-Education-and-Training-Strategy-2014-2019.pdf</a></strong></td>
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Table 15  General Ex-Ante Conditionalities

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<th>Area</th>
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<th>Explanation</th>
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<tbody>
<tr>
<td>1. Anti-discrimination</td>
<td>The existence of administrative capacity for the implementation and application of Union anti-discrimination law and policy in the field of ESI Funds</td>
<td>Yes</td>
<td>Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for the promotion of equal treatment of all persons throughout the preparation and implementation of programmes, including the provision of advice on equality in ESI fund-related activities;</td>
<td>Yes</td>
<td>As outlined in Section 1.5.1, separate consultation meetings with Horizontal Principle bodies were conducted. The results of these consultations fed into the preparation of the PA Consultations on each OP were also conducted and submissions received during these processes informed the contents of the individual OPs. Detailed consideration of the submissions received and a subsequent series of bi-lateral engagements with interested bodies, taking into account the focus in Ireland of the OPs, followed and investment priorities were chosen having regard to the development needs</td>
<td>Horizontal Principle Bodies consulted at all stages during preparation of PA and OPs. Community and Voluntary Pillar consulted on contents of draft PA. Horizontal Principle Bodies will be represented on OP Monitoring committees once established.</td>
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<td></td>
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<td>Yes</td>
<td>The Equality Authority will provide support to implementing bodies to meet the horizontal equality and anti-discrimination objectives.</td>
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<td></td>
<td>Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union anti-discrimination law and policy.</td>
<td></td>
<td>Yes</td>
<td>MAs will provide training on implementation issues for those involved in the implementation of the ESI funds. As part of this, the HP bodies will assist with training in gender equality, non-discrimination and disability/accessibility. Online resources are also available to public sector staff.</td>
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| | | | | | http://www.equality.ie/en/
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<tr>
<th>Area</th>
<th>Applicable Ex-ante conditionality at National level</th>
<th>Applicable Ex-Ante Conditionality Fulfilled</th>
<th>Criteria Fulfilled</th>
<th>Reference (if fulfilled)</th>
<th>Explanation</th>
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<tr>
<td>2. Gender</td>
<td>The existence of administrative capacity for the implementation and application of Union gender equality law and policy in the field of ESI Funds</td>
<td>Yes</td>
<td>Arrangements in accordance with the institutional and legal framework of Member States for the involvement of bodies responsible for gender equality throughout the preparation and implementation of programmes, including the provision of advice on gender equality in ESI Fund-related activities;</td>
<td>Yes</td>
<td>As outlined in Section 1.5.2, when they are established, the composition of the monitoring committees for each Operational Programme will be, as far as possible, gender balanced and include a gender expertise/responsibility function. Ireland has ensured the participation of the relevant bodies responsible for promoting gender equality, non-discrimination and accessibility in the development of this PA, and is keen to ensure adequate structures are in place to advise on these issues in order to provide the necessary expertise in the preparation, monitoring and evaluation of the ESI Funds. <a href="http://www.genderequality.ie/">http://www.genderequality.ie/</a></td>
</tr>
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</table>

Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of Union gender equality | Yes | As outlined in Section 1.5.2, Managing Authorities will address the impact on the Equal Opportunities Horizontal Principle at implementation | MAs will provide training on implementation issues for those involved in the implementation of the ESI funds. As part of this, the HP bodies will assist with... |
equality law and policy as well as on gender mainstreaming. They will make arrangements for training of relevant staff in the fields of gender equality law and policy as well as on gender mainstreaming related to the implementation of the funds. The Equality Authority will provide support to implementing bodies to meet the horizontal equality and anti-discrimination objectives.


http://www.equality.ie/en/

Online resources are also available to public sector staff.
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<tr>
<td>3. Disability</td>
<td>The existence of administrative capacity for the implementation and application of the United Nations Convention on the rights of persons with disabilities (UNCRPD) in the field of ESI Funds in accordance with Council Decision 2010/48/EC</td>
<td>Yes</td>
<td>Arrangements in accordance with the institutional and legal framework of Member States for the consultation and involvement of bodies in charge of protection of rights of persons with disabilities or representative organisations of persons with disabilities and other relevant stakeholders throughout the preparation and implementation of programmes;</td>
<td>Yes</td>
<td>As outlined in Section 1.5.2, Ireland has ensured the participation of the relevant bodies responsible for promoting gender equality, non-discrimination and accessibility in the development of this PA, and is keen to ensure adequate structures are in place to advise on these issues. The National Disability Authority (NDA) and the Department of Justice and Equality have been consulted in the preparation of this document and the Irish Human Rights and Equality Commission, when established, will be requested to participate in the monitoring structures when these are put in place. In addition, as part of the monitoring procedures and arrangements under the Operational Programmes, intermediate bodies will be asked to report on the contribution to, or achievement of, social inclusion and equality objectives.</td>
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<td></td>
<td>Ireland has signed but not yet ratified the UNCRPD. Horizontal Principle Bodies consulted at all stages during preparation of PA and OPs. Community and Voluntary Pillar consulted on contents of draft PA. Horizontal Principle Bodies will be represented on OP Monitoring committees once established.</td>
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http://www.universaldesign.ie/buildingforeveryone
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<tr>
<th>National Disability Strategy in place.</th>
<th>Government Guidelines published on conducting a Disability Impact Assessment.</th>
<th>Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of applicable Union</th>
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<tbody>
<tr>
<td>National Disability Strategy in place.</td>
<td>Government Guidelines published on conducting a Disability Impact Assessment.</td>
<td>Arrangements for training for staff of the authorities involved in the management and control of the ESI Funds in the fields of applicable Union</td>
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<tr>
<td><a href="http://accessibility.ie">http://accessibility.ie</a></td>
<td><a href="http://www.hse.ie/eng/services/Publications/services/Disability/timetomoveonpdf.html">http://www.hse.ie/eng/services/Publications/services/Disability/timetomoveonpdf.html</a></td>
<td>Yes</td>
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<tr>
<td><a href="http://www.hse.ie/eng/services/Publications/services/Disability/timetomoveonpdf.html">http://www.hse.ie/eng/services/Publications/services/Disability/timetomoveonpdf.html</a></td>
<td><a href="http://deinstitutionalisationguide.eu/wp-content/uploads/2012/12/2012-12-07-Guidelines-11-123-2012-FINAL-WEB-VERSION.pdf">http://deinstitutionalisationguide.eu/wp-content/uploads/2012/12/2012-12-07-Guidelines-11-123-2012-FINAL-WEB-VERSION.pdf</a></td>
<td>As outlined in Section 1.5.2 of the PA, staff in the Intermediate Bodies for each Operational Programme should, for each programme of proposed</td>
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<td>Ireland has signed but not yet ratified the UNCRPD.</td>
<td>Ireland has signed but not yet ratified the UNCRPD.</td>
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and national disability law and policy, including accessibility and the practical application of the UNCRPD as reflected in Union and national legislation, as appropriate; expenditure, assess the impacts for people with disabilities, including accessibility issues. To this end, the Irish Government has published Guidelines for Government Departments on conducting a Disability Impact Assessment.

The National Disability Authority has produced two approved Codes of Practice under the Disability Act and has a statutory function to monitor the implementation of standards and Codes of Practice in programmes and services provided to persons with disabilities and to report to Minister for Justice and Equality. They also produce guidelines covering a broad range of areas including the universal design of the built environment, products, services and information and communications technology so that these can be accessed, understood and used by all persons including staff of the MA and IBs.

http://www.nda.ie/Good-practice/

In addition, there is a complaints system in place whereby the office of the Ombudsman is empowered by law to examine complaints concerning failures by public bodies National Disability Authority has developed detailed guidance on accessibility for people with disabilities for use by staff preparing and implementing OPs. MA will provide training on implementation issues for those involved in the implementation of the ESI funds. As part of this, the HP bodies will assist with training in gender equality, non-discrimination and disability/accessibility.
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<tr>
<th>Arrangements to ensure monitoring of the implementation of Article 9 of the UNCRPD in relation to the ESI Funds throughout the preparation and the implementation of the programmes.</th>
<th>Yes</th>
<th>Ireland has signed but not yet ratified the UNCRPD.</th>
<th>National Disability Authority has developed detailed guidance on accessibility for people with disabilities for use by staff preparing and implementing OPs.</th>
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<td>to provide accessible buildings, services and information as required under part 3 of the Disability Act 2005.</td>
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| 4. Public procurement        | The existence of arrangements for the effective application of Union public procurement law in the field of the ESI Funds. | Yes                                            | Arrangements for the effective application of Union public procurement rules through appropriate mechanisms; | Yes                | [http://www.etenders.gov.ie/gener alprocguide.aspx](http://www.etenders.gov.ie/gener alprocguide.aspx) | Guidelines are available online for all staff involved in the implementation of ESI Funds.  
In relation to the RDP, the programme will include measures to support knowledge transfer and the provision of advice to farmers - the RD Regulation (Article 15) specifically states that the selection of authorities or bodies to provide such services should be governed by public procurement law.  
The RDP adheres to the Treaty principles of equal treatment, non-discrimination and transparency. |
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<td></td>
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<td>Arrangements which ensure transparent contract award procedures;</td>
<td>Yes</td>
<td><a href="http://www.etenders.gov.ie/">http://www.etenders.gov.ie/</a></td>
<td>Public sector contracts are advertised centrally online. Procedures will include appropriate publication of schemes, and transparent selection and award criteria. Relevant procurement rules and Treaty principles will be communicated to all staff involved in implementation of the RDP and any bodies implementing measures on behalf of DAFM. Appropriate monitoring of resources will be in place.</td>
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<td>Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds;</td>
<td>Yes</td>
<td>[<a href="http://www.etenders.gov.ie/gener">http://www.etenders.gov.ie/gener</a> alprocguide.aspx](<a href="http://www.etenders.gov.ie/gener">http://www.etenders.gov.ie/gener</a> alprocguide.aspx)</td>
<td>Guidelines are available online for all staff involved in the implementation of ESI Funds. Training workshops will be organised by MAs which will include training on public procurement.</td>
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<td>Area</td>
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<td></td>
<td>Arrangements to ensure administrative capacity for implementation and application of Union public procurement rules.</td>
<td>Yes</td>
<td></td>
<td><a href="http://www.etenders.gov.ie/guides/guides_list.aspx">http://www.etenders.gov.ie/guides/guides_list.aspx</a></td>
<td>Guidelines and external links are available online for all staff involved in the implementation of ESI Funds. The Office of Government Procurement is an office within the Department of Public Expenditure &amp; Reform. It has been tasked with centralising public sector procurement arrangements for common goods and services. The website acts as a central resource for buyers and suppliers to assist them with public service procurement activities. Through the National Procurement Service, the Office provides professional procurement services and advice to ensure that the public service can avail of the best value goods and services, in a legally compliant manner.</td>
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<td>The Office of Government Procurement will act as a central resource to which MAs and Intermediate Bodies can refer for advice when undertaking procurement exercises.</td>
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<td>In addition, specific training workshops will be organised by MAs which will include training on public procurement.</td>
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<tr>
<td>5. State aid</td>
<td>The existence of arrangements for the effective application of Union State aid rules in the field of the ESI Funds.</td>
<td>Yes</td>
<td>Arrangements for the effective application of Union State aid rules;</td>
<td>Yes</td>
<td><a href="http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1305&amp;from=EN">http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1305&amp;from=EN</a></td>
<td>There is a dedicated national contact point for State Aid queries. State Aid Section in the Department of Jobs, Enterprise &amp; Innovation (DJEI) ensures compliance of that Department’s Industrial Development schemes with EU State Aid rules and advises and assists other Departments to achieve the same in relation to their schemes. Where necessary, the Section notifies aid schemes to be implemented by DJEI and its agencies to the EU Commission and obtains Commission decisions that the schemes are in accordance with the EU State Aid rules. It also advises other Departments on</td>
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achieving similar decisions in relation to their schemes.

In addition, the Section chairs an Inter-Departmental State Aid Group to monitor State Aid issues across relevant Departments and inform practitioners of the latest developments.

An inter-agency group has also been established to monitor the implementation and oversight of State Aid schemes in Ireland. Issues such as cumulation, amendments to schemes and evaluation are all assessed by this Group. State Aid Unit (DJEI) is a member of this Group and provides regular input in terms of best practice around notification procedures, use of the block exemption regulation etc.
Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds;

http://www.djei.ie/enterprise/stateaid/

The Rural Development Regulation (Articles 81 and 82) sets out the position in relation to the application of these rules to RD expenditure by Member States, including in relation to additional national financing during the programming period. Training on State Aid has been, and will continue to be, provided by MAs to staff involved in the implementation of the ESI Funds. Technical Assistance will be used to address the capacity development needs of the personnel engaged in programme management and implementation. This will take the form of the provision of guidance and training on State Aid to Intermediary Bodies and beneficiaries to reinforce the capacity of these authorities and
beneficiaries to administer and use those Funds and participation by Managing Authority staff in appropriate training programmes on State Aid.

State Aid Unit in DJEI also disseminates information to interested stakeholders - training, seminars, and publications from the Commission etc.

Dedicated web pages outlining current State Aid rules are published and updated regularly by the State Aid Section in DJEI. These replace the previous lengthy user guide which in many parts replicated the Commission own information with smaller stand-alone sections and FAQ's, with links, where appropriate, to Commission information.

| http://www.djei.ie/enterprise/stateaid/index.htm |
| http://www.djei.ie/enterprise/stateaid/whatistateaid.htm |
The working group of Member States on the implementation of State aid rules was initiated as a follow-up of the High-level meeting organised by the Commission on 20 January 2014. The objective of the working group is to share Member States' common knowledge, to facilitate the implementation of the new State aid framework notably in view of the comprehensive reform introduced by the State aid modernisation, and promote best practices.

Ireland fully supports the establishment of this Working Group and feels it can play an important role as a regular forum where MS exchange views and practices on how rules are applied. The Working Group should facilitate a closer cooperation/coordination of practices in MS on
Arrangements to ensure administrative capacity for implementation and application of Union State aid rules.

more specific topics related to state aid control (e.g. how to verify cumulation rules, incentive effect, evaluation, transparency etc.), or new horizontal/sectoral issues which may arise in the future.

The Working Group should therefore assist in improving the knowledge on state aid rules of granting authorities, how to disseminate this knowledge and improve communication with the Commission and MS. The Working Group will have a key role in identifying how we can best facilitate the introduction of SAM at national level in terms of ensuring that the new rules are well understood and proper training can is provided.

Many of the State Agencies have
nominated senior officials as State Aid experts - for example Enterprise Ireland has appointed a legal expert responsible for State Aid matters.

State Aid Unit met with DG COMP in June 2014 to discuss renewed partnership between Ireland/COMP on State Aid policy and future structures for collaboration - focus on compliance, transparency & evaluation together with identification of training needs and developing a training action plan.

Ireland's current profile (based on duration of procedures, efficiency of notification phases, infringement cases etc.) is second out of the EU 28.

The feedback from State Aid Units in COMP...
indicates that there is a good and effective relationship with the Irish authorities - cooperative, transparent and efficient.
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<th>Reference (if fulfilled)</th>
<th>Explanation</th>
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| 6. Environmental legislation relating to Environmental Impact Assessment (EIA) and, Strategic Environmental Assessment (SEA)\(^{69}\) | The existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA. | Yes                                        | Arrangements for the effective application of Directive 2011/92/EU of the European Parliament and of the Council (EIA) and of Directive 2001/42/EC of the European Parliament and of the Council (SEA) | Yes               |                        | Strategic Environmental Assessment  
Legislative arrangements for the effective application of the SEA Directive are set out below:  
Planning and Development Act 2000-2014  
Please find an unofficial consolidation of the regulations at the following link: http://www.lawreform.ie/_fileupload/RevisedActs/WithAnnotations/E N_ACT_2000_0030.PDF |

\(^{69}\) The result of the assessment of the fulfilment of the general ex-ante conditionality relating to the EIA and SEA legislation is without prejudice to the on-going infringement procedure (Infringement Procedure 2012/4028).
Please find an unofficial consolidation of the regulations at the following link:


Planning and Development Regulations 2001-2013

European Communities (Environmental Assessment of Certain Plans and Programmes) Regulations 2004 (S.I. No. 435 of 2004) relating to the assessment of the effects of certain plans and programmes on the environment, except those relating to land-use planning which were amended by the

European Communities (Environmental Assessment of Certain Plans and Programmes) (Amendment) Regulations 2011, (S.I. No. 200 of 2011)

Planning and Development (Strategic Environmental Assessment) Regulations
(S.I. No. 436 of 2004) relating to the assessment of the effects of certain plans and programmes on the environment, namely, *land use plans*. [Sectors: Article 3(2)(a) of Directive and Article 9(1)(a) of Regulations which were amended by the Planning and Development (Strategic Environmental Assessment) (Amendment) Regulations 2011, (S.I. No. 201 of 2011).]

The Guidelines on the SEA Directive are as follows:

Authorities (November 2004).

Environment Impact Assessment
Legislative arrangements for the effective application of the EIA Directive is as follows:

Planning and Development Act 2000-2014

Planning and Development Regulations 2001-2013

The Guidelines on the EIA Directive are as follows:


Guidelines for Planning Authorities and An Bord Pleanála on carrying out
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<th>Partnerships Agreement Ireland 2014-2020</th>
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| **Arrangements for training and dissemination of information for staff involved in the implementation of the EIA and SEA Directives;**  
**Arrangements to ensure sufficient administrative capacity.** | **The EPA is the leading agency dealing with SEA and all information pertaining to training & research as well as legislation, guidance and other resources can be found at**  
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<th>Reference (if fulfilled)</th>
<th>Explanation</th>
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</table>
| 7. Statistical systems and result indicators  | The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions, which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation. | Yes | - Arrangements for timely collection and aggregation of statistical data with the following elements are in place:  
  • the identification of sources and mechanisms to ensure statistical validation;  
  • arrangements for publication and public availability of aggregated data;  
  - An effective system of result indicators, including:  
    • the selection of result indicators for each programme providing information on what motivates the selection of policy actions financed by the programme;  
    • the establishment of targets for these indicators;  
    • the consistency of each indicator with the following requisites: robustness and statistical validation, clarity of normative interpretation, responsiveness to policy, timely collection of data; | Yes | Ireland is committed to meeting this objective. Further information will be set out in the OPs. | Further details on data collection and monitoring systems will be outlined in each of the OPs. |
- Procedures in place to ensure that all operations financed by the programme adopt an effective system of indicators.
2.4 The methodology and mechanism to ensure consistency in the functioning of the performance framework in accordance with Article 21 of the CPR

The performance framework is one of the tools to achieve a result-orientation of the ESI Funds. It is a table in which a set of milestones and targets is defined for each priority in each OP. The achievement of milestones will be reviewed in 2019 and will form the basis for the allocation of the performance reserve and possibly the suspension of payments. The achievements of targets will be reviewed in 2023.

The result orientation of the future European Structural and Investment (ESI) Funds is based on three pillars:

- a clear articulation of the objectives of programmes with a strong intervention logic (the result orientation of programmes);
- the definition of ex-ante conditionalities to ensure that the necessary prerequisites are in place for the effective and efficient use of Union support,
- the establishment of clear and measurable milestones and targets to ensure progress is made as planned (performance framework).

The performance framework, which consists of selected financial, output and result indicators as well as key implementation steps for each priority, is intended to ensure the programmes deliver what is under their control. This means that the priorities are implemented as planned and the programme is kept on course to achieve its objectives. In particular, problems should be anticipated and tackled as soon as they arise.

Systems in place for setting milestones and targets

Ireland will ensure that there is a consistent approach in place for setting milestones and targets in the performance framework for each priority within the programmes (excluding Technical Assistance priorities), and for assessing the attainment of milestones and targets in accordance with Regulation 1303/2013 (EU) 1303/2013. The milestones and targets will be presented in the programme documents, in accordance with the format set out in that Regulation.

Managing Authorities for each fund will be required to ensure that milestones are directly linked with the achievement of the specific objectives of a priority and that they express the intended progress towards achieving the targets set for the end of the period. Milestones established for 2018 will include financial indicators, output indicators and, where appropriate, result indicators, which are closely linked to the supported policy interventions.

Managing Authorities shall ensure that the milestones and targets proposed are:

a) Realistic, achievable, relevant
b) Capture essential information on the progress of a priority
c) Consistent with the specific objectives of the priority
d) Transparent, with objectively verifiable targets and source data identified
e) Verifiable, without imposing an undue administrative burden
f) Consistent across programme, where applicable
In order to ensure that the milestones and targets proposed are in compliance with these criteria, the independent ex ante evaluation of each programme conducted in accordance with Regulation 1303/2013 will include inter alia, an assessment of the clarity of the proposed indicators and the suitability of the milestones selected for the performance framework. A summary of the findings of these evaluations is in Section 1.2.

Managing Authorities will retain information on the sources, methodologies and criteria applied to select indicators, including supporting data used to estimate milestones and target values. Managing Authorities will also retain information on the rationale used for the selection of output indicators and ensure that this accounts for at least 50% of the relevant priority allocation.

Indicators to assess outputs and progress is being incorporated in the Operational Programmes, and will not be included in this PA. MAs must ensure that these indicators are based on micro-data which need to be collected and stored appropriately. Managing Authorities will be able to demonstrate that the selected targets and milestones are consistent with the above criteria set out in this document. Work by the MAs on the development of an appropriate Performance Framework for each OP is continuing. This includes scheme development, including the issue of indicators, targets and monitoring and evaluation.

DPER has overall policy responsibility for the ESI Funds in the 2014 – 2020 and will ensure that robust systems and procedures are put in place. This will include review by DPER of the independent ex-ante evaluation reports on, and performance indicators, key milestones and targets in, each OP to ensure that there is

- consistency in the functioning of the performance framework in accordance with Regulation 1303/2013
- consistency in the selection of indicators and the setting of milestones and targets across programmes and priorities
- early detection of potential performance issues and a reporting system in place via the national partnership structures for the follow-up of detected issues.
2.5 **An assessment of whether there is a need to reinforce the administrative capacity of the authorities involved in the management and control of the programmes and, where appropriate, of beneficiaries, as well as, where necessary, a summary of the actions to be taken for that purpose**

The Irish authorities need to have due regard to a number of administrative issues such as the administrative capacity and experience in the administration of EU Structural Funds by potential Intermediary bodies and the recent experience in administering the 2007-13 programmes, the amenability of investment priorities to performance appraisal and potential delivery mechanisms along with potential integrated approaches to territorial development.

**Experience**

The Irish Authorities involved in the delivery of the OPs in the new round have built up significant experience from previous programming periods and are familiar with the regulations governing the implementation of the co-financed Operational Programmes in the new round. It is unlikely that there is a need to reinforce the administrative capacity of the authorities involved in the management and control of the programmes.

For example, the ERDF Managing Authorities have 13 years’ experience of managing Regional Operational Programmes, including the multi-fund Regional OPs 2000-06. These programmes have achieved a high level of delivery and fund absorption rates have been sufficient to fully draw down available EU funds.

Further information on the experience gained from the 2007-2013 period and where is contained in Section 1.1.4.

**Lessons learned**

The cascade structure has given rise to some administrative delays (as noted in the Commission position paper), inconsistencies in sampling methods and documentation of verifications and a heavy administrative burden on the bodies concerned. This latter issue has been one of the key concerns raised by implementing Bodies from the 2007 – 2013 round during the consultation process.

In the 2007-2013 round, ERDF technical assistance funding has been used to develop an IT system to meet the requirements of the regulation in terms of project level data, expenditure declarations and accounting for corrections and adjustments.

A workshop was also held with equality bodies and representatives of Departments and Agencies to improve the quality of activities in support of equality principles. Staff of the Managing Authorities have participated in EU and national level seminars and workshops in order to remain fully briefed on relevant structural funds management requirements. This approach will continue into the 2014-2020 programming period by the ERDF Managing Authorities.
Other methods and tools available to the MAs in relation to compliance with horizontal principles of equality between men and women, non-discrimination and accessibility include training to be provided by the Equality Authority, Guidelines for Government Departments on conducting a Disability Impact Assessment and detailed guidance published by the NDA on accessibility for people with disabilities. Further information on these is contained in Section 1.5.2.

Proposals to simplify the current cascade structure with regard to management verifications are currently under consideration by the Department of Public Expenditure and Reform. If such a revised arrangement were to be implemented, it could reduce the requirement for building administrative capacity within intermediate bodies to undertake extensive and effective management verifications.

However, with the proposed establishment of a new Regional Assembly in 2014 in line with proposals for local government reform, there may be some scope for capacity building to ensure that the high standard of delivery of the OPs is maintained. Following its establishment, there will be several opportunities for the new Assembly to become engaged in the management of EU programmes in areas such as representation on Regional OP Monitoring Committees, membership of other ESI OP Monitoring Committees, participation in Annual Review Meetings and on Steering Committees, undertaking programme evaluations, and EU monitoring and information activities in the Midland-East region.

**Summary of actions**
Experience from previous programming rounds has been taken into account in the form of a number of key design features which will ensure that ensure that sufficient administrative capacity exists in all bodies involved in implementing the ESIF programmes, that error rates are minimised and that an appropriate control regime is in place for each OP in the 2014-2020 programming period.

- Implementing a form of Simplified Cost Option (SCO)
- Clear identification of responsibilities in divisions across the department and the identification of the required resources to support monitoring and evaluation
- Need for an efficient and coordinated approach to the collation of data for reporting requirements across the department, and
- Benefits to be derived from a common electronic system for identification and recording required data.
- Additional function for the new National Rural Network in relation to providing a supporting network for innovation measures.
- Targets set in the performance framework will reflect experience of past capital investment schemes being slower to get started initially and that expenditure can lag behind approvals for beneficiaries.
- The introduction of a more targeted incentivised payment structure for the existing Organic Farming Scheme
- Identification of a number of challenges in rural Ireland for which a community led local development methodology such as LEADER is the most appropriate delivery mechanism.
• Application of significant learning to support LAGs in the context of public procurement
• Participation under LEADER Programme in projects that support environmental protection and awareness in rural communities,
• Promote more coordinated and effective delivery mechanisms of the LEADER Programme for the 2014 – 2020 programming period.

Managing Authorities are also required to put in place effective and proportionate anti-fraud measures taking into account the risks identified and such measures will be put in place in Ireland drawing on the experience of MAs in managing previous OPs.

**Technical Assistance**

Technical Assistance funding in the current round has been used to cover the cost of providing training and guidance to intermediary and beneficiary bodies in relation to eligibility, public procurement, information and publicity, expenditure declarations and verification, maintenance of an adequate audit trail and applicable EU and national regulations. This is supported by access to relevant guidelines and regulations on the internet.

ERDF Technical Assistance may, subject to the limits set down in Article 59 (1) support areas such as:

- Preparation, selection, appraisal and monitoring of programmes and operations which are the subject of co-funded assistance
- Meetings of the OP Monitoring Committee and any related sub-committees
- All financial management and control, audit and verification activities on co-funded operations
- OP-level information actions in accordance with the Communications Action Plan, including costs of participation in the INFORM network and the development and operation of programme-related web-sites

A full listing of areas earmarked for technical assistance funding are set out in the ERDF OPs. The amount of ERDF funding set aside for Technical Assistance is €4m (i.e. total expenditure €8m).

For ESF, it is planned that the technical assistance will reinforce the administrative capacity of the authorities involved in the management and control of this Operational Programme and its beneficiaries. The planned reinforcement measures may include an increase in staff resources, training provided, outsourcing of specific technical tasks to professional experts and the development of administrative-reducing IT systems. These measures will increase the capacity to deliver more efficiencies during management verifications, audit, monitoring, reporting and evaluations of the operations within the Operational Programme.

Implementation of the ESF Employability, Inclusion and Learning OP may give rise to additional administration costs over the next Programme period. The Technical Assistance Priority will cover certain costs including:

- the monitoring committee meetings,
- activities of the ESF authorities such as management verifications, audit, monitoring, reporting and evaluations of the operations within the Operational Programme, seminars,
- the continued development of computer based integrated data management systems, information and publicity
- staffing costs and expenses of the ESF authorities

A full listing of areas earmarked for technical assistance funding are set out in the ESF Employability, Inclusion and Learning OP. The amount of ESF set aside for Technical Assistance in this Operational Programme is €10m (i.e. total expenditure €20m).

Additionally, in accordance with the ECCP, there may be scope in the OPs for strengthening the institutional capacity of some of the partner organisations to effectively participate in the preparation, implementation, monitoring and evaluation of the programmes and the Irish Authorities will investigate this further. In relation to the RDP, various studies and audits were undertaken on support measures during the 2007-2013 RDP. In addition, a mid-term evaluation was published. These studies, audits and reports informed the development of the RDP 2014-2020.

Proportionality
In examining any proposals to reinforce administrative capacity, the Irish Authorities will give full consideration to the principle of proportionality. This means that any measures introduced to increase capacity will reflect the amount of funding available and the cost of implementing such measures relative to the perceived benefit.
2.6 A summary of the actions planned in the programmes, including an indicative timetable, for achievement of a reduction in the administrative burden for beneficiaries

Reducing the administrative burden

The cascade structure has given rise to some administrative delays (as noted in the Commission position paper), inconsistencies in sampling methods and documentation of verifications and a heavy administrative burden on the bodies concerned. This latter issue has been one of the key concerns raised by implementing Bodies from the 2007 – 2013 round during the consultation processes.

The first consultation process on the PA resulted in suggestions being received from stakeholders regarding ways to reduce the administrative burden associated with EU funding whilst conforming to EU management control requirements. Suggestions received included

- Simplification of the audit and reporting regime and adopting a principle of proportionality
- Increasing access to, and availability of, funding
- More targeted funding including increasing flexibility to redirect funding
- Use of IT and streamlining / integration of reporting and data requirements including use of reporting templates.

Stakeholders also provided suggestions for reducing the administrative burden during the first consultation process on the ERDF Regional OP’s including a lessening of the financial burden and audit scrutiny on beneficiaries, improved co-ordination of audits and financial control visits, greater reliance should be placed on audits of local authorities by the Local Government Audit Service, clear guidance issued at an early stage in the Programming Period and appropriate timing of audits.

In the consultation process on Ireland’s EMFF OP, the administrative burden associated with the licensing process for aquaculture was identified by stakeholders as a significant issue. This issue is not unique to Ireland and has been identified by the European Commission as a key focus of National Strategic Plans for Aquaculture under the CFP Regulation. Ireland will address the issue further in its forthcoming Plan and specific measures under Ireland’s EMFF OP will be directed towards assisting with this area.

Reducing the administrative burden did not come up as an issue in the consultation and analysis process for the RDP 2014-2020. However the EAFRD MA is very conscious to avoid unnecessary administrative procedures and to keep application procedures as simple as possible.

As part of the design process for RDP measures, the issue of administrative burden has been addressed. The development of a coherent approach to this issue across measures has been facilitated by the work of an RDP Coordinating Committee set up to oversee the RDP design.
and implementation process. This coordinated approach has facilitated the inclusion of a number of factors which will alleviate the administrative burden for applicants, including:

- The facilitation of a common approach to the development and issuing of measure application forms. Ensuring a consistent approach to application form lay outs, language, and definitions will be of benefit to applicants applying to multiple measures.

- A common approach has been taken to the delivery of online electronic applications to measures where possible. The increased use of online applications on its own will lead to a significant reduction in the administrative burden for applicants, and ensuring that online application processes for separate measures are developed in a consistent manner will further simplify the process for beneficiaries. It will also lead to the more effective and efficient processing of applications by administrations resulting in the timely issuing of payments under the various measures.

- The shared experience of previous programming periods has facilitated the identification of best practices which can be utilised for other measures. For example, the approach taken to information dissemination in relation to the launch of measures and the requirements of beneficiaries in particular measures has led to the identification of best practices which can be used across measures in the current programming period. Such practices include the provision of road show / information seminars for applicants to outline the main provisions of measures, the publication of clear terms and conditions documents at Departmental locations and on the Departmental website, and the briefing of agricultural and other support agents in relation to the main provisions of measures.

Electronic Data Exchange
Implementation of Ireland’s e-cohesion system is underway. A common IT system is being designed for the ESF, ERDF and EMFF to facilitate each MA to meet its requirements under the Regulations. Technical Assistance from the relevant funds will be used to finance the introduction of the new system. Further information is provided in Section 4.1.

Use of Simplified Cost Options
The ESF authorities in Ireland sought to implement a form of Simplified Cost Option (SCO) in the HCI OP 2007-2013 but with limited success. Nevertheless, latest information suggests that a SCO for claiming indirect costs and non-salary costs would reduce expenditure errors and administrative burden. Therefore, the SCOs available under Article 14(2) of the 1304/2013 ESF Regulation and Article 67(1) (b) are to be applied to a range of activities in the 2014-2020 ESF OP.

This allows a flat rate of up to 1) 40% of the eligible staff costs to be used to cover the remaining eligible costs of an operation, or, 2) 15% of eligible direct staff costs, without there being a requirement to perform a calculation to determine the applicable rate. The use of SCOs in ERDF, EAFRD and EMFF will also be explored.

Consideration of proposals
In examining all proposals to reduce the administrative burden for beneficiaries, the Irish Authorities gave full consideration to the principle of proportionality and the requirements of
the regulations. Any measures set to be introduced to reduce the administrative burden for beneficiaries reflects the regulatory requirements, the amount of funding available and the cost of implementing such measures relative to the perceived benefit.

The table below sets out the actions planned to reduce the administrative burden in the 2014 – 2020 programming period.

*Table 16*  
**Summary of actions planned to reduce the administrative burden**

<table>
<thead>
<tr>
<th>Admin area</th>
<th>Action Planned</th>
<th>Indicative timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and issuing of measure application forms in the RDP 2014-2020.</td>
<td>Common approach to the adopted in the development of application forms for different measures in the RDP. Online applications to be accepted wherever possible. Sharing of best practice in application processes to be shared between different measures in the RDP.</td>
<td>September 2014 – June 2015</td>
</tr>
<tr>
<td>Use of Simplified Cost Options in ESF Employability, Inclusion and Learning OP</td>
<td>Engagement with IBs and beneficiaries to develop concrete proposals to use SCOs in all funds.</td>
<td>July 2014</td>
</tr>
<tr>
<td>Use of Flat Rate Financing for indirect costs in ERDF OPs</td>
<td>Engagement with IBs and public beneficiary bodies to apply flat rates for indirect costs in accordance with Article 68 of the Common Provisions Regulation</td>
<td>June 2015</td>
</tr>
<tr>
<td>Reducing the audit burden in ERDF OPs</td>
<td>Adjusting the sampling population to include both regional OPs as a single population thereby reducing minimum number of audits. In cases where common procedures are in place and have been shown to function satisfactorily, reducing the scope of subsequent operational audits.</td>
<td>3rd quarter of 2015</td>
</tr>
<tr>
<td>Admin area</td>
<td>Action Planned</td>
<td>Indicative timeframe</td>
</tr>
<tr>
<td>Reducing the number of verification checks carried out by IBs in ERDF OPs</td>
<td>Sharing responsibility for some verification checks between IBs and ERDF MAs.</td>
<td>June 2015</td>
</tr>
<tr>
<td>Application for EMFF schemes</td>
<td>Development of online application and tracking system for EMFF schemes administered by Bord lascaigh Mhara</td>
<td>2017</td>
</tr>
<tr>
<td><strong>Application for EMFF schemes</strong></td>
<td>Development of explanatory brochures for each scheme under the EMFF OP to assist potential applicants in understanding the application process, and what is required of them.</td>
<td>2015/2016</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Obtaining information on supports available under the EMFF OP</strong></td>
<td>Publication online on a dedicated website of information detailing supports available under the EMFF OP to the catching, processing and aquaculture sectors and to coastal communities through FLAGs.</td>
<td>2015/2016</td>
</tr>
<tr>
<td><strong>Obtaining information on beneficiaries of EMFF support</strong></td>
<td>Publication online on a dedicated website of information detailing funding provided to beneficiaries under the EMFF OP.</td>
<td>2016</td>
</tr>
<tr>
<td><strong>Management, monitoring and reporting on EMFF schemes</strong></td>
<td>Development of IT systems to capture key data on all EMFF funded projects to facilitate efficient monitoring and timely reporting on the progress of the EMFF OP.</td>
<td>2016</td>
</tr>
<tr>
<td><strong>Licensing process for aquaculture</strong></td>
<td>Development of IT systems to spatially map licensed aquaculture sites and possibly potential areas available for aquaculture and areas where aquaculture should be excluded.</td>
<td>2018</td>
</tr>
<tr>
<td><strong>Licensing process for aquaculture</strong></td>
<td>Development of online licence application and tracking system for aquaculture and foreshore licensing.</td>
<td>2018</td>
</tr>
<tr>
<td><strong>Electronic Date Exchange</strong></td>
<td>Introduction of IT system to allow for the possibility of all information exchange to take place electronically.</td>
<td>December 2015</td>
</tr>
</tbody>
</table>
SECTION 3  DESCRIPTION OF THE INTEGRATED APPROACH TO TERRITORIAL DEVELOPMENT SUPPORTED BY THE ESI FUNDS

3.1  Arrangements to ensure an integrated approach to the use of the ESI Funds for the territorial development of specific sub-regional areas

3.1.1 Community-led local development
Community led Local Development (CLLD) is a method for involving partners at local level in programme delivery on a bottom-up basis. Decision-making and implementation are delegated to a local partnership of public, private and civil society actors as exemplified by the LEADER approach to rural development. It is recognised that Community-led local development has the potential to complement and add value to the delivery of public policies for all CSF Funds.

In Ireland the use of CLLD, including integrated and multi-fund CLLD, was considered nationally by the Member State and by all MAs as outlined below. Of key importance are the funding priorities included in the OPs and whether or not a CLLD approach is deemed to be the most appropriate delivery mechanism. The outcome of these considerations was that CLLD will be used in the delivery of the LEADER Programme under the EAFRD and the funding of Fisheries Local Action Groups (FLAGS) in the delivery of the EMFF. A mono-fund approach to CLLD will be adopted with CLLD in each fund (EAFRD and EMFF) remaining separate.

LEADER
The percentage of the EAFRD fund to be allocated to LEADER in Ireland has now been agreed at 7% of the overall EAFRD fund which amounts to €153 million for the 2014-2020 programming period. National co-financing rates are still to be agreed.

The continuation of the LEADER approach in rural areas is critical for the future development of rural Ireland. At a national level, Ireland is currently moving towards a more integrated approach to the delivery of Local Development interventions in general and the participation of communities is central to the implementation of this approach.

Experience has resulted in the identification of a number of systemic challenges with regard to the delivery of LEADER type interventions in Ireland during the current programming period. While the Government will ensure that the new system will be built on the basis of expertise and experience, it is also imperative that the systems in place to deliver rural development funding for the 2014-2020 have the capacity to address the challenges identified as well as support the development of vibrant rural communities all over Ireland.

The implementation of LEADER in the 2007-2013 period has presented a number of challenges including full compliance with EU regulations by legal entities implementing LEADER. It is in this this context, and with a desire to promote a more coordinated and
That Ireland proposes to change the delivery mechanisms of the LEADER approach.

Putting People First, the Irish Government action plan for better local Government, specifically details actions to ensure a more coordinated approach to the delivery of local development interventions including those funded under the RDP. This is in the context of the belief that rural communities are best placed to identify and address the issues and challenges they face and the LEADER approach is an essential tool to facilitate this in rural Ireland. In the context of the on-going Local Government Reform process, it is envisaged that Local Government will play a more comprehensive role in the design and delivery of local development interventions in general and it is likely that this will also include rural development interventions specifically.

This role will centre on ensuring that the system for both supporting and implementing local rural development is effective and efficient with a view to mitigating the administrative burden on project promoters in particular and maximising the impact of rural development funding. The new system, while not yet fully elaborated, will aim to support the delivery of LEADER type interventions in an integrated way thereby ensuring their complementarity with and contribution to local, regional and national priorities and goals while simultaneously maintaining its community led nature.

In this context the system Ireland is putting in place will maintain the essence of the LEADER approach and address issues that have been experienced in the current programme period thereby endeavouring to maximise the impact of rural development funding for rural communities in the 2014-2020 programming period.

Role of Local Action Groups

Under the EAFRD, LEADER is an integrated territorial development tool at sub-regional level that will contribute to the balanced regional development of rural areas. This is supported through the development of sub-regional development strategies (Local Development Strategies) designed and implemented at local level by Local Action Groups.

Local Action Groups in Ireland will be constituted in line with the requirements in EU Regulation 1303/2013 regulation. The groups will be responsible for the design and delivery of the Local Development Strategy and in this context will be assigned the tasks as outlined in Article 30 of the final version of EU Regulation 1303/2013 regulation and listed below:

- building the capacity of local actors to develop and implement operations including fostering their project management capabilities;
- drawing up a selection procedure and objective criteria for the selection of operations;
- ensuring coherence with the community-led local development strategy when selecting operations;
- preparing and publishing calls for proposals;
- receiving applications for support and assessing them;
- selecting operations and fixing the amount of support (including where relevant, presenting the proposals for final verification of eligibility before approval);
monitoring the implementation of the local development strategy and carrying out evaluation activities.

While it can potentially address any of the six Union priorities for Rural Development LEADER will be programmed under priority 6 “Promoting social inclusion, poverty reduction and economic development in rural areas”. The on-going SWOT and needs analysis for the EAFRD have identified a number of challenges in rural Ireland for which a community led local development methodology such as LEADER is an appropriate delivery mechanism. These include, but are not limited to:

- the need to support local business,
- the need to involve all members of the community including young people in the development process and
- the need to ensure that rural development interventions

The above challenges are an integral part of all plans and policies designed to address local development thereby ensuring a more integrated approach to the development of Ireland as a whole.

Sub-regional areas for Local Development Strategy development purposes are yet to be defined and Ireland is currently conducting analysis in order to support the identification of appropriate sub-regional areas. In addition, some final details regarding the specifics of the day-to-day management of the financial aspects of LEADER implementation have yet to be finalised and these will be set out in the OP.

In the context of the bottom up nature of the LEADER element of the EAFRD approach support for interventions is very much based on the needs identified in the Local Development Strategy process. However, it is envisaged from previous experience that support for interventions that address preservation of cultural and vernacular heritage will be a component of many local development strategies. The funding application processes will ensure that any intervention funded by LEADER is complementary to other heritage related interventions.

Ireland will implement a single fund approach for LEADER Programme under the EAFRD. Taking into consideration the concentration of population in rural areas and the absence of an exclusion of large urban areas from the Common Provisions Regulation, the upper population limit may cause difficulties in programme implementation. It is therefore considered appropriate to request a derogation from this upper population limit to take account of population levels in rural areas.

Fishery Local Action Groups
Ireland implemented CLLD under its Seafood Development Programme for the period 2007-2013 under the European Fisheries Fund. Ireland adopted a policy that all fishing communities should have access to a Fishery Local Action Groups (FLAG). To avoid a proliferation of FLAGS that was inappropriate to Ireland’s small population size, to ensure adequate budgetary resources to FLAGS to implement their local area strategies, and to ensure administrative efficiency, Ireland limited the number of FLAGS to six. These FLAGS
covered the entire coastline and each had a significant territorial coastal strip, excluding large urban centres. These six FLAGs were established over 2012/2013 and began to implement their local development strategies from 2013. These policy considerations are in general equally valid to Ireland’s selection of FLAG local area strategies under the EMFF and so Ireland will continue to implement this policy approach under the EMFF. The identification of the fisheries areas and the selection of future FLAGs under the EMFF will be in accordance with the Common Provisions Regulation and EMFF Regulation. Ireland will implement a single fund approach for FLAGs under the EMFF.

Ireland notes that Article 33(6) of the Common Provisions Regulation prescribes that the population of FLAG areas must be not less than 10,000 and not more than 150,000 inhabitants. This provision allows for derogation from these population size limits in duly justified cases and on the basis of a proposal by a Member State. However, two factors warrant a derogation from the above population size limits.

A. Taking into consideration the general concentration of Ireland’s population in coastal areas and in particular the absence of an exclusion of large urban areas from the Common Provisions Regulation and EMFF Regulation, the upper population limit above may cause difficulty to Ireland’s policy approach and may force an increase in FLAG numbers, negating the general benefits of Ireland’s policy approach outlined above. It is therefore considered appropriate to request a derogation from this upper population limit to take account of population levels in coastal areas and ensure territorial coherence of the FLAG areas.

B. From experience under the EFF Programme, Ireland considers that in a selective small number of cases smaller FLAG areas may be desirable, while maintaining the overall policy outlined above. Such focussed FLAG areas would be highly likely to breach the lower population threshold above and an artificial expansion of the territory concerned would be necessary to comply with the lower threshold, which may detract from the territorial coherence of these focussed FLAG areas. It is therefore considered appropriate to request a derogation from this lower population limit to take account of low population levels in those confined areas and to ensure the territorial coherence of these focussed FLAG areas.

Other use of CLLD
Consideration has also been given to the utilisation of CLLD in delivering some of the investment priorities for ERDF and ESF co-financing identified in the Joint ERDF/ESF Needs Analysis.
A detailed submission received from the Irish Local Development Network (ILDN) was reviewed and presentations were given by representatives of ILDN to all of the Managing Authorities. Several submissions received during the consultation processes also recommended that a CLLD approach to programme delivery be considered, where appropriate.

In completing the Needs and SWOT Analyses for both programmes, due consideration was given to the utilisation of CLLD as an innovative implementation tool in delivering some of the ERDF and ESF investment priorities. Recognising that CLLD is an optional delivery mechanism
for the ERDF funded programmes and following a thorough analysis of the thematic objectives and investment priorities that are justified for co-funding for the 2014-2020 period, the following table sets out if CLLD represents an appropriate delivery mechanism for the ERDF OPs.

Table 17  Use of CLLD in ERDF Operational Programmes

<table>
<thead>
<tr>
<th>Thematic Objective</th>
<th>Possible Schemes</th>
<th>Suitable for CLLD</th>
<th>Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>T.O. 1 Strengthening Research, technological development &amp; innovation</td>
<td>PRTLI (or its successor) to be delivered via the HEA, EI’s suite of schemes – Incubation, Applied Research Enhancement, Commercialisation Fund + other new schemes, SFI’s research grant schemes, Marine Institute research grants schemes</td>
<td>No</td>
<td>RTDI schemes delivered through national agencies, beneficiaries are HEI’s and therefore not appropriate for CLLD delivery</td>
</tr>
<tr>
<td>T.O. 2 Enhancing access to and use &amp; quality of ICT</td>
<td>National Next Generation Broadband scheme</td>
<td>No</td>
<td>National scheme</td>
</tr>
<tr>
<td>T.O. 3 Enhancing the Competitiveness of SME’s</td>
<td>Current schemes delivered by CEB’s to micro-enterprises</td>
<td>No</td>
<td>Will be delivered through LEOs within Local Government sector</td>
</tr>
<tr>
<td>T.O. 4 Supporting the shift towards a low carbon economy in all sectors</td>
<td>Better Energy Programme Social Housing Retrofit Scheme (for apartment blocks in Dublin, Cork &amp; Limerick) and for single social housing units in other counties</td>
<td>No</td>
<td>Delivered through a Financial Instrument or direct grants to Local Authorities</td>
</tr>
</tbody>
</table>

Given the national nature of the challenges in the labour market, the question of whether the CLLD approach can be useful in the ESF context in Ireland was considered as part of the ESF Employability, Inclusion and Learning OP drafting process. However, at this time, it is the view of the ESF managing authority that the CLLD model would not be a suitable delivery vehicle for ESF in Ireland; however, in the event of changed circumstances in the unemployment situation during the course of the Operational Programme, this situation may be reviewed.
3.1.2 Integrated territorial investments (ITI)

The Common Provisions Regulation for the European Structural and Investment Funds for the 2014-2020 period makes provision for the implementation of integrated development strategies through a mechanism called an “Integrated Territorial Investment” (ITI).

The key elements of an ITI are:
- A designated territory
- An integrated development strategy with a package of eligible actions identified from the priority axes of the OP(s) concerned
- Appropriate governance arrangements

The current ERDF operational programmes are based on the existing NUTS II regional classifications, the Border, Midland & Western and Southern & Eastern Regions. The Managing Authority function for the two programmes is performed by the administrations of the Assemblies.

The Action Plan for Effective Local Government - Putting People First - which sets out Government policy in relation to local government reform, provides for the replacement of the existing two Regional Assemblies and eight Regional Authorities with three new Regional Assemblies: Connacht-Ulster, Southern Region and Eastern-Midland Region.

As the ERDF regional operational programmes are based on the existing NUTS II regions, it is proposed that the existing managing authority arrangements will continue. The role of the new Assembly in the management of the ERDF programmes will be finalised when the order establishing the new structures is made. Therefore, it is not intended to use an ITI in the context of delivery of the ERDF OPs at this stage.

Given the funding priorities identified in the other OPs, at this point, there would seem to be limited scope for the use of ITIs in the delivery of these operational programmes.
3.1.3 Sustainable urban development, including the principles for identifying the urban areas where integrated actions for sustainable urban development are to be implemented and an indicative allocation for these actions under the ERDF at national level

The strategic aim of the urban dimension of cohesion policy for the 2014-2020 period is to reinforce the role of urban actions in support of territorial cohesion and Europe 2020 objectives, through an enhancement of the integrated approach and a renewed focus on sustainable urban development (SUD).

EUROSTAT (in cooperation with REGIO, AGRI, JRC, OECD) has developed a statistical classification covering the EU called the "degree of urbanisation" that provides a significant step forward in terms of consistent and data comparability. The degree of urbanisation distinguishes three types of local administrative units (LAU)

- Code 01: Cities (Densely populated areas) with the majority of the population living in an urban centre of more than 50,000 inhabitants
- Code 02: Towns and suburbs (Intermediate density areas) with the majority of the population living in an urban cluster with more than 5,000 inhabitants
- Code 03: Rural areas (Thinly populated areas) with a majority of the population living in rural grid cells (cells outside urban clusters)

The definition of three types of areas is not based on NUTS 3 but on a cross EU analysis of population location and density using the sq. km population grid. This classification was developed in 2011 and has been in use since 1 January 2012 in all Eurostat surveys. As a result, ESTAT publishes a wide range of annual indicators for these three types of areas per Member State. For example, population, employment, unemployment, poverty, exclusion, IT use by households.

The degree to which Ireland is urbanised using the above categorisation system is summarised in the map below which shows that the most urbanised regions are Dublin, Cork, Galway, Waterford and Limerick. All of the above urban areas, with the exception of Galway, are in the S&E region.

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Sustainable Urban Development in Ireland

Ireland’s National Spatial Strategy has designated the key urban growth centres as gateways and hub towns. Local and Regional Authorities have highlighted the positive experience of the ERDF Gateways (and Hubs) Scheme in the current round, which could provide an effective mechanism to deliver actions on this need and meet the 5% requirement laid down in EU Regulation 1303/2013.

The principle criterion applied to the selection of eligible urban areas in the current programming period was the designated Gateways and Hubs under the National Spatial Strategy. However, it should be noted that and these designations are to be reviewed before mid-2015.

An Urban Development Fund will be established for the 2014 – 2020 period on a competitive basis. Bidders such as local and urban authorities will compete for funding from the fund and the list of urban areas to benefit will depend on the outcome of this process.
In Ireland, SUD will be undertaken within the selected urban centres which can contribute to improving their development potential through enhancement of the social, economic and environmental conditions of the growth centres, taking sustainable urban development strategies (including relevant low carbon strategies) into account.

SUD will be delivered through a separate priority axis under Thematic Objective 6 (e) and another IP (possibly (e) under Thematic Objective 4, see below) to be determined at the level of the Operational Programmes. Depending upon which other IP is chosen, the specific objectives of the fund will be focussed around the following ERDF investment priorities:

- Taking action to improve the urban environment, to revitalise cities, regenerate and decontaminate brownfield sites (including conversion areas), reduce air pollution and promote noise-reduction measures;
- Providing support for physical, economic and social regeneration of deprived communities in urban and rural areas
- Providing support for social enterprises
- Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures.

Pending the finalisation of the above-mentioned competitive procedures, the Irish authorities have opted to spread ERDF provisionally across the 2 Thematic Objectives 4 and 6. The need, if any, for modification to these allocations will be determined in the light of the results of the competitive procedures.

Potential types of projects will finally depend on which other IP is chosen but, within the context of the integrated urban strategies, may include:

- Support for social regeneration in urban areas including social infrastructure, community facilities and community development initiatives,
- Support for social enterprises, social economy undertakings and social innovation
- Physical regeneration and renewal and environmental enhancement
- Development and/or rehabilitation of natural, cultural and built heritage
- Provision of arts and culture facilities
- Re-development of brown-field sites
- The provision of cycleways, bus lanes and pedestrian priority areas

The table below outlines the indicative amount currently allocated at national level for SUD. More specific details will be provided in the operational programmes concerned.

Table 18: Indicative allocation at national level to integrated actions for sustainable urban development under the ERDF

<table>
<thead>
<tr>
<th>Fund</th>
<th>The indicative allocation at national level to integrated actions for sustainable urban development (EUR)</th>
<th>Proportion of the total allocation to the Fund (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ERDF</td>
<td>€40m</td>
<td>9.78%</td>
</tr>
</tbody>
</table>
3.1.4 The main priority areas for cooperation, under the ESI Funds, taking account, where appropriate, of macro-regional and sea basin strategies

European Territorial Cooperation
Introduction
Effective solutions in many areas of development require a cooperative approach to challenges and opportunities that looks across borders to share experiences. This should reinforce and complement cross-border and transnational perspectives to be considered in country-specific programming and should also take account cooperation frameworks such as the Maritime Strategy for the Atlantic Ocean Area.

Ireland would therefore benefit from cooperation through the ETC programmes in the following areas:

- Fostering innovation clusters and smart connections between business, research and higher education sectors;
- A focus on results-oriented innovation projects which include actors from beyond the usual scientific and academic partners;
- Develop eco-innovation projects, including a comprehensive observation of the ocean environment;
- Encourage co-operation, sharing of best practice and economies of scale between Irish SMEs and those from other Member States;
- Promote energy efficiency and the production, distribution and use of renewable energy;
- Addressing shared environmental risks, particularly maritime pollution, across borders;
- Contributing to leverage the maritime economic potential of the maritime border areas by bringing about cooperation synergies.

The transnational dimension of the Atlantic strategy can bring new dynamism to the maritime economic sectors as well as enlarge their economies of scale.

In addition, the European Territorial cross border co-operation programme will focus on thematic objectives relating to information and communication technologies, competitiveness of SMEs, low carbon economy, environmental protection and resource efficiency, sustainable transport, employment and supporting labour mobility and social inclusion and combating poverty.

North / South and ETC Programmes
Ireland participates in a number of European Territorial Co-Operation Programmes, including the cross border programme with Northern Ireland and Western Scotland as well as the EU Programme for Peace and Reconciliation.

The economies of both parts of the Island of Ireland currently face significant economic challenges in terms of moving towards more knowledge and innovation-oriented stages of development and the increased pace and intensity of global competition.
It is vital therefore that cooperation between the two economies is maximised particularly in the areas of infrastructure, research and development, skills formation and innovation. This is of particular importance to the BMW region.

Although not necessarily a formal EU-derived horizontal principle, investment in the OPs should facilitate, where possible, greater co-operation between communities, institutions and enterprises on both parts of the Island.

A key objective of the Irish Government in the next programming period is to ensure the continuation of North-South cooperation and building on achievements to date in this regard. The EU Programme for Peace and Reconciliation (PEACE IV) will aim to promote the objectives of Europe 2020 of building a smart, sustainable and inclusive region and will contribute to the policy objectives of the Governments of the participating regions. The programme will consider a number of themes including

- social inclusion and combating poverty
- education and lifelong learning, with a renewed focus on young people, particularly providing assistance for young people who are economically excluded
- youth activities
- education of young people

The inclusion of EU funding for a PEACE IV Programme in the next round is very much welcomed.

The INTERREG Programme for Northern Ireland, the Border Region of Ireland and Western Scotland addresses the economic and social problems which result from the existence of borders. It supports strategic cross-border co-operation for a more prosperous and sustainable region.

The Ireland Wales Programme aims to further develop the cross border region by:
- Improving the overall economic, environmental and social well-being of the Ireland Wales co-operation area;
- Achieving a more cohesive, balanced and sustainable development of the area;
- Contributing to the greater competitiveness of the region and that of the EU in a globalised world.

The focus is on co-operation to ensure integrated regional development through common strategies. Ireland currently participates in the following cross-border, transnational and interregional programmes:
Table 19  
Ireland’s participation in Other Programmes

<table>
<thead>
<tr>
<th>Cross Border</th>
<th>Ireland Wales Programme Ireland/Northern Ireland/Scotland programme</th>
</tr>
</thead>
</table>
| Transnational| Atlantic Area Programme  
|              | North West Europe Programme  
|              | Northern Periphery Programme                                       |
| Inter-regional| VC, ESPON, URBACT, INTERACT                                      |

Cross Border
The Irish Authorities are currently involved in the preparations for similar OPs for the new round 2014 – 2020. These cross border co-operation programmes will aim to promote the objectives of Europe 2020 of building a smart, sustainable and inclusive region and will contribute to the policy objectives of the Governments of the participating regions.

The programmes will consider a number of themes and may include information and communication technologies, competitiveness of SMEs, low carbon economy, environmental protection and resource efficiency, sustainable transport, employment and supporting labour mobility and social inclusion and combating poverty.

PEACE Programme
In relation to the EU Programme for Peace and Reconciliation, the thematic objectives are likely to focus on social inclusion and combating poverty as well as education and lifelong learning, with a renewed focus on young people, particularly providing assistance for young people who are economically excluded, youth activities and on the education of young people.

Transnational
In cooperation with other MS, the Irish Authorities are engaged in preparing a successor to the current Atlantic Area transnational programme for 2014-20. Decisions will be made jointly with the other participating MS - Portugal, Spain, France and the UK on emerging headline priorities for the new programme.

The programme will take due account of alignment between its common challenges and priorities and those within the Atlantic Strategy as plans for the new programme are developed.

Ireland is keen to identify common goals across the Irish Sea in developing a successor Ireland/Wales cross-border programme for 2014-20 and take the emerging strategy into account in developing the new programme.

This PA and the OPs are an important channel of funding that Ireland can use, where appropriate, to implement priorities identified in the Action Plan, once they are in line with the intervention logic, needs analyses and funding priorities identified.
The Managing Authority of the EMFF OP will be reviewing both the Atlantic Strategy and Atlantic Area Plan and, on the basis of this review will decide on what contribution either directly or indirectly, the EMFF can make.
SECTION 4 ARRANGEMENTS TO ENSURE EFFICIENT IMPLEMENTATION OF THE ESI FUNDS

4.1 An assessment of the existing systems for electronic data exchange, and a summary of the actions planned to gradually permit all exchanges of information between beneficiaries and authorities responsible for management and control of programmes to be carried out by electronic data exchange

Introduction

Electronic data management and electronic data exchange between the administration and beneficiaries has the potential to curtail error rates arising from inadequate document retention and simplifying the administrative burden on beneficiaries.

Article 112 of EU Regulation 1303/2013 provides that Member States shall ensure that no later than 31 December 2015, all exchanges of information between beneficiaries and a managing authority, certifying authority, audit authority and intermediate bodies can be carried out by means of electronic data exchange systems. The systems shall facilitate interoperability with national and Union frameworks and allow for the beneficiaries to submit information only once.

In addition, Article 14 (e) (iii) of EU Regulation 1303/2013 requires MS to provide an assessment of the existing systems for electronic data exchange and the actions planned to permit all exchanges of information between beneficiaries and authorities responsible for management and control of programmes to be carried out solely by electronic data exchange.

The systems being developed in Ireland will allow beneficiaries to submit supporting documentation and conduct business with the MAs over the internet and to claim funding and view records on-line. This in line with EU Regulation 1303/2013, which supports the use of ESI Funds for actions that reduce the administrative burden for beneficiaries.

The monitoring and reporting system will exploit the potential use of electronic data transfers.

4.1.1 Assessment of Existing Systems

As an initial step, a questionnaire was issued to MAs seeking information in relation to their current systems of electronic data exchange and to assess the level of compliance of current systems with guidance issued by the Commission in Fiche 6 and Fiche 27. Responses from MAs are being assessed to identify areas where improvements in electronic data exchange can be made.
An Implementation Group made up of members of the Member State Managing Authority and ESI Fund Managing Authorities was established. A sub group chaired by the MS has also been established to carry out work on this project and report progress back to the Implementation Group. The sub group is comprised of Managing Authorities of the Programmes who are responsible for managing and implementing the Operational Programmes, the Certifying Authorities who are responsible for submitting payment claims to the Commission and the Audit Authorities who verify the effective functioning of the management and control systems and expenditure declared.

4.1.2 Summary of actions planned to gradually permit all exchanges of information to be carried out by electronic data exchange

Actions Planned
Actions planned will depend on the assessment of existing systems of data exchange currently underway. Once these have been identified, an action plan will be drawn up to ensure Ireland meets its obligations under the regulations in relation to electronic data exchange.

ERDF and ESF
The sub group is undertaking an assessment of the current IT systems in place for delivery of ERDF and ESF to determine whether they are fit for purpose for delivery of the 2014-2020 ESI Funds OPs. In conducting this assessment, the sub group is considering the requirements of the 2014-2020 regulations, the views of staff working on current programmes and issues that have arisen during internal and external audits. The purpose of the assessment is to carry out a gap analysis in terms of what is required to comply with the new regulations and how this might best be achieved.

While the existing system has proved suitable for the 2007 – 2013 round of funding, substantial amendments are required to comply with the new Regulations necessitate the procurement of a new system. Work is underway to develop and implement a system which will meet the data and management requirements of the 2014 - 2020 regulations.

The new IT system must be flexible to take account of changing delivery structures and must provide a means for the MAs, AAs and CAs to access all relevant information. The system must be streamlined for beneficiaries. The ‘only once’ encoding principle will be implemented ensuring a reduction in the administrative burden for beneficiaries and all developments will ensure that data integrity and confidentiality is maintained and that storage is in compliance with the relevant document retention rules.

The open procurement process for the new IT system will begin in 2015 and is expected to be in place by 31 December 2015. The principle of Proportionality will be taken into account particularly in the context of the level of funding allocated to Ireland under the 2014 – 2020 round of funding and the potential for reductions of ESI funding in future rounds.
EMFF
Limited e-cohesion requirements apply to the EMFF. It is expected that the EMFF will be part of the new IT system being developed for ERDF and ESF and will use this system, when developed, to comply with its obligations under the regulations.

EAFRD
DAFM has its own management and control systems which will be developed in order to comply fully with the regulations. E-cohesion requirements do not apply to the EAFRD.
**ANNEX I**  
**LIST OF PARTNERS CONSULTED**

1. Age Action Ireland  
2. Association of Architectural Conservation Officers  
3. Athlone Institute of Technology  
4. Atlantic Philanthropies  
5. Ballyhoura Development Ltd  
6. Birdwatch Ireland  
7. Business in the Community Ireland  
8. Carbery Housing association  
9. Carers Association of Ireland  
10. Chambers Ireland  
11. Childhood Development Initiative  
12. Children’s Rights Alliance  
13. Clann Credo  
14. Clare Local Development Company  
15. Community Legal Resource  
16. Community Platform / European Anti-Poverty Network  
17. Community Workers Cooperative  
18. Cork City Council  
19. County and City Managers Association  
20. Congress Centres Network  
21. CORI Justice Commission  
22. Department of Agriculture, Food and the Marine  
23. Department of Arts, Heritage and the Gaeltacht  
24. Department of Children and Youth Affairs  
25. Department of Communications, Energy & Natural Resources  
26. Department of Education and Skills  
27. Department of Environment, Community and Local Government  
28. Department of Finance  
29. Department of Jobs, Enterprise and Innovation  
30. Department of Justice and Equality  
31. Department of Public Expenditure and Reform  
32. Department of Social Protection  
33. Department of the Taoiseach  
34. Department of Transport, Tourism and Sport  
35. Disability Federation of Ireland  
36. Equality and Rights Alliance  
37. Equality Authority
38. European Anti-Poverty Network
39. Foróige
40. Friends of the Earth
41. Heritage Council of Ireland
42. Higher Education Authority
43. Immigrant Council of Ireland
44. Inclusion Ireland
45. International Council of Monuments and Sites
46. Irish Business and Employers’ Confederation (IBEC)
47. Irish Cattle and Sheep Farmers Association
48. Irish Congress Centres Network
49. Irish Congress of Trade Unions (ICTU)
50. Irish Co-Operative Organisation Society Ltd. (ICOS)
51. Irish Council for Social Housing (ICSH)
52. Irish Creamery Milk Suppliers’ Association (ICMSA)
53. Irish Exporters’ Association (IEA)
54. Irish Farmers’ Association (IFA)
55. Irish Hotels Federation
56. Irish Human Rights and Equality Commission
57. Irish Local Development Network
58. Irish National Organisation of the Unemployed (INOU)
59. Irish Rural Link
60. Irish Senior Citizen’s Parliament
61. Irish Tourist Industry Confederation (ITIC)
62. KW Research
63. Limerick City and Council LA
64. Local Government Management Agency
65. Longford Women’s Link
66. Macra na Feirme
67. Mary Immaculate College Limerick
68. Monasterevin Community Centre Ltd.
69. National Association of Building Co-Operatives (NABCO)
70. National Disability Authority
71. National Women’s Council of Ireland
72. National Youth Council of Ireland (NYCI)
73. Pobal
74. Protestant Aid
75. Respond! Housing Association
76. Revenue Commissioners
77. RSM McClure Watters
78. Service Industrial Professional and Technical Union
79. Small Firms' Association (SFA)
80. Society of Saint Vincent de Paul
81. Social Justice Ireland
82. South and East Cork Development
83. South Dublin County Partnership
84. South East Regional Authority
85. Special EU Programmes Body
86. Start Strong
87. The Wheel
88. Waterford City and Council
89. West Cork Development Partnership
90. Western Development Commission
91. Youth Work Ireland