

**ACTION
PLAN
FOR JOBS**

2014



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Foreword by An Taoiseach, Enda Kenny, T.D.



It is now two years since the Government set out its first annual comprehensive and dedicated Action Plan for Jobs strategy to help reach our primary objective: getting Ireland back to work. At that time, Ireland was still in the throes of the global economic storm and was just beginning its journey to recovery, growth and increased employment. That journey continues, but the context in 2014 is very much different from that in 2012.

At that time, confidence in the economy remained weak and jobs were being lost in large numbers. There was understandable questioning of whether a new and ambitious jobs plan would, firstly, be implemented as promised and, secondly, would have a significant, meaningful impact. As we embark on the third year of the Action Plan for Jobs process, we can say with conviction that our dedication to implementation has been unrelenting, and more importantly, that the Plan is delivering.

Looking back on the 2012 and 2013 Action Plans, I am glad to report that some 95 per cent of the job-supporting measures committed to have been delivered by Government. Put more simply, in excess of 1,100 actions have been progressed, monitored and assessed, to ensure that we are doing everything we can do to protect and grow jobs.

It is pain-staking work, and examining any one of these thousand measures does not present a true sense of what we are about. The Action Plan for Jobs strategy, in parallel with our Pathways to Work and other relevant sectoral strategies, is about rebuilding a more competitive, successful, and sustainable economy step-by-step, brick-by-brick.

Informed by our new Medium-Term Economic Strategy, we present Action Plan for Jobs 2014 with confidence, not just because it is the first Action Plan since Ireland successfully exited the EU/IMF bailout, but because it works. Ireland's international position, whether on foreign direct investment, technology transfer, flexibility and adaptability of the labour force, provides strong encouragement.

Employment in State-supported Irish companies now exceeds 175,000 - the highest level in a decade. Over 161,000 people - the highest level in the IDA Ireland's history – are now employed in State-supported multinational firms. The number of people working is up by 58,000 in the past year to 1.89 million. That is undeniable progress.

Yet, unemployment is still too high. I repeat my commitment that Government will not rest until the unemployment challenge is met, and have designated 2014 to be the "Year for Jobs". This Action Plan for Jobs 2014 is the next step in our journey, building but not resting on progress made in the last two years, to make this country the best small country in which to do business.

In this Action Plan, the Government is spelling out in detail its commitments to job-creation for the year ahead – as under previous iterations, it remains a whole-of-Government effort. The thematic approach will be familiar- progressing our Disruptive Reforms, improving access to finance for SMEs, helping Irish firms start and grow, supporting competitive regions, developing the impact of Foreign Direct Investment, and promoting and taking sectoral opportunities.

This year's Plan is also heavily focused on the three areas of SME support, enhanced competitiveness, and the local delivery of assistance to entrepreneurs and smaller firms via our new Local Enterprise Offices across the country.

As has been the case since we came to office, this Government will concentrate all efforts on employment retention and creation, and over the next twelve months I expect to see Ireland's recovery further embedded and delivering even more employment opportunities for all.

Enda Kenny, T.D.

Taoiseach

February 2014

Foreword by the Minister for Jobs, Enterprise and Innovation, Richard Bruton, T.D.



In the middle of 2011, just a few months after the new Government took office, I spoke to the MacGill summer school about the employment crisis our country and people were facing. The effects of the crash were still unfolding and the pattern of up to 1,600 jobs per week being lost over the previous three years was continuing to put more workers on the dole queues.

I set out the case for a coherent plan that would foster innovation, entrepreneurship and exporting and build a new economy on sound foundations. Up in Donegal that summer I told my audience that;

“Too much time has been spent trying to shore up the failed policies of the past. Now is the time to start creating a new future. The truth is, Ireland has every reason to be confident for the future because we have real strengths and a vigorous innovative new generation with a proven record. “

Our shared determination to create that new future is what fuelled the development of the original Action Plan for Jobs process. This year we publish our third Plan, which will build on the successes and measures delivered in the 2012 and 2013 Plans. And the encouraging news is that, while we still have a long way to go and many people still are yet to feel the benefits of the change in direction, the Plan is working.

Instead of shedding jobs at the rate of 1,600 per week, our economy is now creating 1,200 additional jobs each week. Nearly all sectors are growing jobs, as are regions, and importantly our growth is being built around improving competitiveness which supports strong exports by Irish companies and vibrant inward investment from foreign ones.

This type of performance means that enterprises in Ireland have increased the numbers they employ at a rate of growth that no other European or OECD partners can match. This is a testimony to the enterprise and ingenuity of employers and workers all over Ireland. The success of the Action Plan for Jobs is that it has allowed Government to assist and facilitate this turnaround.

Collaboration is key to its success. All Government Departments and dozens of Agencies are involved in the Plan while the needs of business and workers are included through regular public meetings, face to face engagements or online submissions. To keep entrepreneurs and their mindset at the centre of the Action Plan last year we brought in Industry Partners to work on delivering specific measures of importance and impact.

Crucially we have created, with the active support of the Taoiseach and his Department, a monitoring and oversight regime that makes sure that what we say we are going to do as a Government actually happens. Without this structure and the commitment of the Taoiseach to this agenda then the Action Plan process simply wouldn't work as well.

As in previous Plans, for 2014 we will continue to focus on competitiveness, winning new markets and new investment overseas and building a strong environment where targeted sectors with potential can grow and create new jobs.

This year we are putting a particular focus on entrepreneurship. As a country we have some great entrepreneurs but, perversely, we are not a great country for entrepreneurs. Through a

series of high profile commitments, from the roll out of the new LEO network to reviews to simplify and improve the tax supports for entrepreneurs, we can and we must increase our numbers of start-up companies.

This Action Plan for Jobs 2014 is more ambitious and far reaching than its predecessors because it builds on the work that those Plans have already delivered. Our original job creation targets have been extended through the recent Medium Term Economic Strategy process - but that is the type of new challenge that I think we can all embrace.

Richard Bruton, T.D.

Minister for Jobs, Enterprise and Innovation

February 2014

Executive Summary

A fundamental priority of this Government since 2011 has been to restructure the Irish economy from an overreliance on credit-financed domestic consumption and residential property construction to a more sustainable economic model. There has been a concerted focus on regaining Ireland's lost competitiveness, boosting productivity, increasing export intensity and diversity of markets, taking measures to improve Ireland's attractiveness as a location for foreign investment and achieving an increase in start-ups and entrepreneurial activity. Significant progress has been made since 2011 and following strong implementation of the revised EU IMF Programme, the Irish economy is now emerging from a deep and prolonged recession.

The Action Plan for Jobs is a key component of the Government's response to the unemployment crisis and its specific ambition is to have 100,000 more people in work by 2016. The Government, in recognising that it is enterprise, not governments, that creates jobs, has set out an objective to create a positive environment to support business start-ups and growth, drive exports and facilitate job creation and retention by the enterprise sector.

The Action Plan for Jobs is a whole of government, multi-annual initiative which mobilises all Government Departments to work towards the objective of supporting job creation. It is monitored on a quarterly basis to ensure delivery and the Monitoring Committee comprises representatives of the Department of the Taoiseach, the Department of Jobs, Enterprise and Innovation, the Department of Public Expenditure and Reform, Forfás, and the Office of the Tánaiste. The process has delivered. In 2012, 92 per cent of actions were delivered and in 2013 90 per cent were delivered. In a departure from the 2012 plan, Action Plan for Jobs 2013 contained seven headline 'Disruptive Reform' measures – these are high-impact measures with highly ambitious deadlines, implemented in partnership with senior industry partners and selected because of their potential to have a significant effect on job creation.

More importantly, however, the Action Plan is having an impact on the ground and recent data on employment is encouraging. There were 1,899,300 people in work in Q3 2013, an increase of 58,000 compared to Q3 2012. The Quarterly National Household Survey (CSO, 2013) showed that the seasonally-adjusted unemployment rate fell to 12.8 per cent in Q3 2013 from a peak of 15.1 per cent in Q1 2012. More recent Live Register trends suggest the fall has been even greater in the interim. The long-term unemployment rate decreased from 8.9 per cent to 7.6 per cent over the year to Q3 2013. In addition to the increase in employment and the decrease in unemployment, there are other indicators that the Irish economy is emerging from the deepest economic crisis in our history. Domestic demand in 2013 is estimated to have grown by 0.4 per cent, the first increase in this aggregate since the crisis began. Ireland's competitiveness rankings are also once again improving – for example, Ireland's ranking in the IMD's World Competitiveness Yearbook has improved from 24th in 2011 to 20th in 2012 and 17th in 2013.

While significant progress has been made, unemployment and emigration remain unacceptably high and this Action Plan for Jobs 2014 reaffirms the Government's commitment to addressing these challenges as a matter of urgency. In 2014, we will strengthen further the framework for measuring the impact of the Action Plan for Jobs by establishing, where possible, the impact of actions in the Action Plan on "intermediate" objectives (such as Entrepreneurship, Innovation, Internationalisation, Skills Enhancement and Access to Finance) and the impact, in turn, of these "intermediate" objectives on our ultimate policy objectives of

increasing employment and reducing unemployment while also increasing competitiveness and productivity in the Irish economy.

There are 385 actions in this year's plan involving all Government Departments and 46 Agencies. The Action Plan was developed through a highly consultative process across the private and public sector, including engagement with representatives from employers, employees and those currently unemployed. This engagement generated new proposals and ensured that Government prioritised the right actions. This year the process also benefitted from recommendations made by the Global Irish Economic Forum which took place in 2013 and a number of those recommendations are now reflected in the Action Plan.

It is important to note that the Action Plan for Jobs is complemented by other Government initiatives. The Medium Term Economic Strategy (MTES) sets out the core components of the Government's strategy to continue the work of re-building the Irish economy, achieve sustainable economic growth, strong public finances and enduring job creation. This Action Plan operationalises the process of achieving the medium-term strategic goal of having over 2.1 million people in employment by the end of the decade. The MTES confirms the policy areas that are critical to realising this ambition and which continue to be reflected in the 2014 Action Plan: creating an environment conducive to job creation and innovation; helping the unemployed back to work; meeting the skills needs of the economy; and increasing competition through better regulation.

The Government's Pathways to Work policy is also complementary to the Action Plan for Jobs, and is designed to ensure that as many as possible of the new jobs created in the recovering economy go to people on the Live Register. While doing all that can be done to stimulate the demand for labour, it simultaneously improves the prospects for jobseekers getting work, and ensures that working always pays, no matter the nature of that work.

Structure of the Action Plan for Jobs 2014

The structure of Action Plan for Jobs 2014 contains a number of consistent elements from previous Action Plans:

- Disruptive Reforms
- Competitiveness
- Pathways to Work
- Access to Finance
- Growing Irish Enterprise
- Developing and Deepening the Impact of FDI
- Sectoral Opportunities

Competitiveness

Ireland can never again become complacent about its competitive position. If we are to meet the employment targets contained in this Plan, Ireland must maintain the hard-won ground over the past number of years and pursue relentlessly policies which will drive competitiveness in all areas of the economy. Many firms are still confronted by high costs which make it difficult to compete internationally. Others are dealing with legacy issues that make accessing funding for investment extremely challenging. Still others lack the capabilities (e.g. innovative capacity, language and international sales skills, technical competencies, etc.) to take advantage of growth opportunities. Creating a competitive business environment which supports an increase in exports from these firms is essential to ensuring Ireland achieves sustainable economic growth and high levels of employment growth.

In 2014, led by the Taoiseach, the Government will focus on competitiveness in all areas of economic activity. The Government will develop and target actions specifically at improving our competitiveness rankings. This is aimed at achieving a top-five international competitiveness ranking, making Ireland the best small country in which to do business and creating the jobs we need.

Disruptive Reforms

Disruptive Reforms were introduced in 2013 as new, high impact, cross-cutting measures with the potential to have a significant impact on job creation, to support enterprises and/or be areas where Ireland could profit from a natural advantage or opportunity that presents itself in the economy. 6 of the 7 Disruptive Reforms introduced in 2013 will be progressed further in 2014 in order to realise their ambition. The JobsPlus initiative, launched in 2013, has already been mainstreamed and has proven to be particularly impactful. Three new Disruptive Reforms will be introduced in 2014: Entrepreneurship; Winning Abroad; and Manufacturing: National Step Change. In total, there are 9 Disruptive Reforms to be advanced in 2014:

1. Entrepreneurship

Transforming Ireland's entrepreneurship and start-up culture through the rollout of 31 Local Enterprise Offices supported by a Centre of Excellence in Enterprise Ireland; reviewing tax based schemes for entrepreneurs with a view to supporting an increased level of entrepreneurship; and launching a €2 million fund to help identify and support the best young entrepreneurs in each county in the country.

2. Winning Abroad

Increasing resources in overseas offices to win exports and investment including targeting the creation of an additional 10,000 new jobs (6,000 direct and 4,000 indirect) over 5 years through an investment programme which will see the provision of additional resources to IDA Ireland to be deployed overseas including in emerging markets, intensifying FDI employment growth.

3. Manufacturing: National Step Change

Advancing a National Step Change in Manufacturing in Ireland including support for 130 Irish-owned companies through an initiative to improve their productivity and delivering a Transformation Programme in 70 foreign-owned companies.

4. Big Data/Data Analytics

Advancing the agenda to make Ireland a leading country in Europe in Big Data and data analytics by measures including the launch of an Open Data initiative and further strengthening enterprise engagement in the €88 million Insight Research Centre and the CeADAR Technology Centre.

5. ICT Skills

Publish a revised ICT Skills Action Plan informed by the recent Forfás/ EGFSN study forecasting high levels of ICT skills needs to 2018, that would further progress increases made in the domestic supply of ICT graduate output and move from 63 per cent of demand in 2014 to 74 per cent of demand in 2018.

6. Integrated Licensing Application Service

Reducing the regulatory burden on the enterprise sector by delivering an Integrated Licensing Application Service for the retail sector.

7. Trading Online

Targeting 2,000 micro and small businesses over a two year period from 2014 to support them to engage in online trading, building on successful trial undertaken in Dublin.

8. Energy Efficiency

Establishing an Energy Efficiency Fund and supporting exemplar projects on energy efficiency to progress the ambition of transforming Ireland into one of the most energy efficient economies in Europe.

9. National Health Innovation Hub

Establishing the National Health Innovation Hub in 2014, building on the successful implementation of the Cork Demonstrator Project, to produce new healthcare technologies, products, and services by linking commercial enterprises with the Irish health system.

It is proposed to continue the process of working with Industry Partners in 2014 to deliver these Disruptive Reforms.

Specific deliverables and actions for the three new Disruptive Reforms being launched in 2014 include:

Entrepreneurship

The Government's ambition is for Ireland to be among the most entrepreneurial nations in the world and acknowledged as a world-class environment in which to start and grow a business. With the unemployment challenge that Ireland is currently facing, growing the number of entrepreneurs and start-ups is hugely important for Ireland's economic development.

In 2014, the Government will:

- Roll out 31 Local Enterprise Offices, supported by a Centre of Excellence in Enterprise Ireland, to drive entrepreneurial activity throughout the country;
- Make additional funding available to support start-ups and expansions including a new Youth Entrepreneurship Fund;
- Review tax based support schemes for entrepreneurs with a view to providing a simplified offering targeted at increasing entrepreneurship;

- Facilitate mentoring, peer learning and knowledge sharing to develop entrepreneurial capacity;
- Target actions, including new funds, to inspire and encourage untapped potential among groups including youth and graduate entrepreneurs, female entrepreneurs, immigrant entrepreneurs and at regional level; and
- Deliver a clear strategy with medium term actions for entrepreneurship through a National Entrepreneurship Policy Statement.

Winning Abroad

Generating sustainable broad based export-led growth is essential to rebuilding our economy. As a small open economy growth in overseas markets is critical and this Disruptive Reform will place a specific emphasis on growing opportunities in overseas markets, particularly in new and fast growing markets.

In 2014, the Government will:

- Target the creation of an additional 10,000 new jobs (6000 direct and 4000 indirect) over 5 years through an investment programme which will see the provision of additional resources to IDA Ireland to be deployed overseas including in emerging markets, intensifying FDI employment growth;
- Increase support for companies seeking to trade internationally, through the provision of additional on-the-ground support by Enterprise Ireland in overseas markets including China, South Korea, United Arab Emirates and South Africa. This will also include targeting 650 companies to have significant engagement with the Enterprise Ireland potential exporters division, working with 55 first time exporters and providing a range of programmes to exporters in 2014;
- Develop the capabilities of Irish enterprises to grow exports through programmes aimed at both existing exporters and potential exporters;
- Promote Ireland's image abroad to drive increased trade, tourism and investment and implement Local Market Plans in priority markets; and
- Undertake targeted initiatives in sectors including international education services, engineering services and cultural services and design.

Manufacturing: National Step Change

Supporting cost competitiveness in the longer term together with improving living standards for all can be achieved through productivity growth. This Disruptive Reform in manufacturing will help place Ireland's manufacturing sector to the forefront internationally and improve competitiveness, productivity and innovation.

In 2014, the Government will:

- Support 130 indigenous companies with an initiative to improve their productivity as part of the National Step Change for Manufacturing;
- Deliver a transformation programme across 70 foreign-owned manufacturing and services companies in Ireland to achieve technology uplift, skills enhancement, energy improvements and investment in new facilities and equipment;
- Support the adoption of LEAN manufacturing and other productivity enhancing measures across a wide range of enterprises including relevant micro-enterprises;

- Ensure that publicly-funded R&D is oriented to the needs of manufacturing sectors and support increased engagement by manufacturing enterprises with research centres and technology centres focused on the needs of manufacturing sectors.

Other Key Initiatives

Indigenous Enterprise

Enterprise Ireland will target the creation of 13,000 new fulltime permanent jobs and support clients to achieve €17.5bn in exports in 2014. Enterprise Ireland will also implement mentoring programmes for the benefit of more than 300 clients.

Foreign Direct Investment

The IDA will target 13,000 new gross jobs yielding approximately 6,000 net new jobs and work to win another 155 new FDI investment projects in 2014 with 20 per cent from growth markets.

Access to Finance

To further improve access to finance for micro, small and medium enterprises in Ireland, key priorities for 2014 include: increasing new lending to SMEs; increasing participation in Government sponsored access to finance schemes for SMEs such as the Microenterprise Loan Fund and the Credit Guarantee Scheme; raising the level of awareness amongst SMEs and entrepreneurs of the business supports available; and enhancing the financial capability of SMEs.

Regional Development

Regions that support strong and dynamic enterprises are crucial to Ireland's return to overall economic growth and IDA Ireland will start to build new advanced manufacturing facilities and office space in regional locations to create fresh opportunities for FDI.

Sectors

The Action Plan puts a strong focus on a number of domestically trading sectors, including Construction & Property, Retail and Social Enterprise where there is potential for significant job creation with the correct supporting measures. This section also builds on sectors which have been growing over the last number of years, such as Agri-food, Tourism, International Financial Services, Aviation Services and the Green Economy

Conclusions

Ireland is emerging from a deep and prolonged recession and signs of economic recovery are increasingly evident. Ireland successfully exited the EU IMF Programme, there has been a marked improvement in employment levels and competitiveness and stability is returning to the financial sector and to public finances. However, now is not the time for complacency. The Government is as committed to addressing the unacceptably high level of unemployment as it was when it launched the first Action Plan for Jobs in 2012. The actions in 2014 are building on the progress achieved over the last two years as we continue to strive towards our goal of creating the best environment to support sustainable job creation and competitiveness.

1. Introduction

A fundamental priority of this Government since 2011 has been to restructure the Irish economy from an over-reliance on credit-financed domestic consumption and residential property construction to a more sustainable economic model. Central to this has been a concerted focus on regaining Ireland's lost competitiveness, boosting productivity, increasing export intensity and the diversity of export markets, taking measures to improve Ireland's attractiveness as a location for foreign investment and achieving an increase in start-ups and entrepreneurial activity.

While Governments alone cannot create jobs, they can ensure that the framework conditions for business are as supportive as possible for employment creation. Since it was introduced on annual basis in 2012, the Action Plan for Jobs has been one of the key mechanisms that the Irish Government has employed to ensure that job creation is at the centre of policies across all Government Departments and their agencies. The main purpose of the Plan is to set out the actions to be undertaken to support employment creation and to improve the environment for doing business in Ireland. The Plan complements the Government's Pathways to Work which sets out actions to be taken in support of those that are currently unemployed in order to help them access the labour market. The Action Plan for Jobs is based on extensive consultation with stakeholders and is aligned with a range of Government strategies. The Global Irish Economic Forum is an important source of ideas and initiatives to support job creation and a number of actions in this year's Plan are based on proposals emerging from the third Global Irish Economic Forum in 2013.

The Action Plan process has increased engagement across Government and has introduced a focus on business and job creation. Central to the Action Plan is the process for ensuring that the key actions identified are implemented. The success in implementing the 2012 and 2013 Action Plans for Jobs highlights the value of the oversight monitoring mechanism put in place by Government through a Monitoring Committee comprising the Department of the Taoiseach, the Department of Jobs, Enterprise and Innovation, the Department of Public Expenditure and Reform and Forfás. The Office of the Tánaiste is also represented on the Monitoring Committee. In 2013, the monitoring arrangements were strengthened further with the appointment of six Industry Partners who help to oversee the implementation of the plan with a particular focus on the Disruptive Reforms. This monitoring process and transparent reporting will continue to be a feature of the 2014 Plan.

Now in its third iteration, the Action Plan for Jobs 2014 sets out the annual actions that Government Departments and their agencies will undertake to support job creation in 2014. The original Action Plan set out a target of having an extra 100,000 people in work by 2016 from a baseline of 1.85 million in employment. The Action Plan complements the Government's Medium Term Economic Strategy by acting as an annual implementation mechanism for actions which can help grow key Irish sectors of strength identified in both documents. The Action Plan also operationalises the medium-term strategic goal of having over 2.1 million people in employment by the end of the decade.

Achieving these targets will be extremely challenging. However, recent data on employment is encouraging. There were 1,899,300 people in work in Q3 2013, an increase of 58,000 compared to Q3 2012. In terms of increases in employment, agriculture, manufacturing, tourism and professional services/technology have been the strongest performers while an increase in construction employment is also notable, albeit from a radically reduced base. The Quarterly National Household Survey (CSO, 2013) showed that the seasonally-adjusted

unemployment rate fell to 12.8 per cent in Q3 2013 from a peak of 15.1 per cent in Q1 2012. More recent Live Register data suggests the fall has continued in the interim. The long-term unemployment rate decreased from 8.9 per cent to 7.6 per cent over the year to Q3 2013.

In addition to the increase in employment and the decrease in unemployment, there are other indicators that the Irish economy is emerging from the deepest economic crisis in our history. Domestic demand in 2013 is estimated to have grown by 0.4 per cent, the first increase in this aggregate since the crisis began. Improving economic conditions in Ireland and growth in key export markets such as the UK and the US is boosting optimism among purchasing managers as shown by the Purchasing Managers Index, the services component of which is at the highest level since April 2007¹. Ireland's competitiveness rankings are once again improving – for example, Ireland's ranking in the IMD's World Competitiveness Yearbook has improved from 24th in 2011 to 20th in 2012 and 17th in 2013².

While there are a range of factors at play in the recovery of the Irish economy, it is clear that a coherent and consistent public policy approach to addressing barriers to job creation is important. Key deliverables from the 2012 and 2013 Action Plans such as the JobsPlus initiative, the roll-out of a suite of programmes for €2.5 billion of non-bank financing and a programme to make Ireland a hub for ICT skills demonstrate how Government can effectively support businesses and help them to create employment. A number of challenges remain and through Action Plan for Jobs 2014 the Government will focus on 2014 as the "Year for Jobs".

Key themes that permeate this year's Action Plan include:

Addressing competitiveness at enterprise level and throughout the economy

Through the Action Plan for Jobs, we will place a special focus on issues of competitiveness and productivity, both at enterprise level and in the economy generally. Steady progress is being made in restoring Ireland's competitiveness and this is reflected in Ireland's ranking on internationally-recognised competitiveness league tables. We need to ensure that there is no complacency as a result of recent improvements. Actions contained throughout the 2014 Action Plan including, for example, the Manufacturing Disruptive Reform, will help to provide the focus on productivity required. We will also take action at Government level to strengthen further our processes for monitoring the key elements that impact on Ireland's overall competitiveness and we will take action to address issues that are impacting negatively on our competitiveness ranking. Specific actions contained in this Action Plan relating to national competitiveness include areas such as research and innovation, aligning skills with enterprise needs, competitiveness at regional level, infrastructure investment to support competitiveness and reduced costs through smarter regulation.

The role of the entrepreneur and start-ups in job creation

Two-thirds of all new jobs come from start-ups in the first five years of their existence. Ireland has a cadre of great entrepreneurs but we need more of them. Through a Disruptive Reform on entrepreneurship, we set out a vision for Ireland to be among the most entrepreneurial nations in the world and to be acknowledged as a world-class environment in which to start and grow a business. A key initiative in 2014 to give effect to this will be the launch of a new network of Local Enterprise Offices, providing enhanced resources to support start-ups and microenterprises throughout the country. Other actions addressing taxation and finance,

¹ Investec Republic of Ireland Purchasing Manager Indices Manufacturing and Services, January 2014. Based on three month moving averages.

² IMD (2013), World Competitiveness Yearbook 2013.

support for high potential start-ups and accelerators and targeted initiatives for young people, graduates and female entrepreneurs will help to strengthen further the environment for setting up a business in Ireland.

Support for the SME sector to grow jobs

The Government recognises the critical role that the small and medium sized enterprises play in both the domestic economy and in international markets. Almost all actions in this Action Plan will impact on the SME sector generally or specific groups of SMEs. A specific chapter of the Action Plan is dedicated to the issue of access to finance for SMEs. These actions give effect to the Government's priority to work with the private sector to increase bank and non-bank funding to SMEs. Actions around the skills agenda, support for research and innovation, support for management development and other capacity building measures are also set out in the plan. Sector-specific actions in areas such as food and drink, retail, construction, tourism, creative services, eHealth and the Green Economy aim to provide new opportunities for SMEs to win business both in Ireland and overseas.

Maximising impact through effective communication

Despite the wide range of actions taken to support enterprise and job creation in recent years, it is clear, including from the low levels of uptake of some targeted schemes, that initiatives need to be accompanied by strategies to raise awareness of them, and to promote them to key audiences. Communication must become a central part of our suite of actions. In communicating our work, as part of the Year for Jobs, we will aim to deliver information that is easy to find and easy to digest, through channels that the target audiences are known to use to find information, including websites, information packs, local events, and both social and traditional media. A priority will be to raise awareness amongst SMEs and entrepreneurs of the full suite of developmental business supports available through a comprehensive communications strategy involving the widest possible range of stakeholders. The new Local Enterprise Offices, as an important interface with business at local level, will have a central role to play in this regard, especially in relation to SMEs. The Department of Education and Skills and the Department of Social Protection will coordinate branding and improve awareness of the range of industry focused skills initiatives available to jobseekers.

Monitoring the impact of the Action Plan for Jobs

Monitoring of the Action Plan for Jobs is currently based on a number of key elements:

- Monitoring of national trends in employment and unemployment (e.g. CSO Quarterly National Household Survey and Analysis of Live Register);
- Monitoring of Ireland's overall competitiveness, based on international benchmarking, and each of the specific elements making up Ireland's overall competitiveness score (e.g. National Competitiveness Council Scorecard);
- Measurement of trends in high-level aggregates such as exports, foreign direct investment, research and development expenditure as well as gross and net job creation by agencies such as Enterprise Ireland and IDA Ireland;
- Measurement of the delivery of specific actions contained in the Action Plan for Jobs on a quarterly basis throughout the year.

While there are robust systems for tracking performance in respect of each of these elements, we will aim to strengthen further the framework for measuring the impact of the Action Plan for Jobs in 2014.

Key areas of focus in 2014 will be on:

- Establishing the links, where possible, between actions in the Action Plan and the achievement of intermediate impacts in areas such as Entrepreneurship, Innovation, Internationalisation, Skills Enhancement and Access to Finance;
- The linkages between these intermediate impacts and the ultimate policy objectives of increasing employment and reducing unemployment while also increasing competitiveness and productivity in the Irish economy.

2. Disruptive Reforms in 2014

2.1 Entrepreneurship

In 2014, the Government will:

- Roll out 31 Local Enterprise Offices, supported by a Centre of Excellence in Enterprise Ireland, to drive entrepreneurial activity throughout the country;
- Make available an additional €3.5 million to support start-ups and expansions including a new Youth Entrepreneurship Fund;
- Review tax based support schemes for entrepreneurs with a view to providing a simplified offering targeted at increasing entrepreneurship;
- Facilitate mentoring, peer learning and knowledge sharing to develop entrepreneurial capacity;
- Target actions, including new funds, to inspire and encourage untapped potential among groups including youth and graduate entrepreneurs, female entrepreneurs, immigrant entrepreneurs and at regional level; and
- Deliver a clear strategy with medium term actions for entrepreneurship through a National Entrepreneurship Policy Statement.

Ambition

Our ambition is for Ireland to be among the most entrepreneurial nations in the world and acknowledged as a world-class environment in which to start and grow a business. With the unemployment challenge that Ireland is currently facing, growing the number of entrepreneurs and start-ups is hugely important for Ireland's economic development. The Global Entrepreneurship Monitor (GEM) results in recent years had shown some declining trends in Ireland's entrepreneurship potential and entrepreneurial base. It is vital that these trends are arrested and action is taken, to ensure we optimise the role of entrepreneurship as an essential source of employment and wealth creation, thereby positioning entrepreneurship as a key element in the economic growth agenda. Through this Disruptive Reform, we aim to:

- Build the pipeline of entrepreneurs - increasing the numbers of future entrepreneurs who will be actively engaged in creating business start-ups and employment across the country;
- Build entrepreneurial capability - developing entrepreneurial skills among the general population to nurture entrepreneurial thinking and talent; and
- Build the right conditions for entrepreneurship – helping to ensure survival and growth in employment and income from entrepreneurial start-ups.

We will track performance in achieving this ambition by measuring start-ups supported by Enterprise Ireland and Local Enterprise Offices including:

- The number of start-ups created;
- Employment created and sustained by these start-ups;
- The proportion of start-ups being founded by females and by young people;

- Enterprise Ireland will also seek to increase the number of overseas entrepreneurs establishing businesses in Ireland; and
- We will seek to increase Ireland's ratings in the Global Entrepreneurship Monitor.

Rationale

There are many ways in which the environment for entrepreneurs is supported by the Government and by other organisations across the country. Our challenge is to maximise the impact of activities and efforts of all of the actors within the entrepreneurial ecosystem by strengthening linkages and supporting and identifying mechanisms for further cooperation and entrepreneurial empowerment.

We aim to create an ecosystem throughout the country that will engage, inspire and connect entrepreneurs. We are establishing a network of 31 Local Enterprise Offices (LEOs) across the country that will act as a 'first stop shop' providing financial and other supports, such as business training and mentoring, advice and information on sources of support available on various aspects of business start-up and expansion. The LEOs aim to become a world class support service for entrepreneurs and micro/small businesses delivered locally from one office, supported by a Centre of Excellence at Enterprise Ireland that will promote 'best practice' across the LEO network. The LEOs will also become champions for entrepreneurship at local level by promoting entrepreneurial activity among school-goers and other target groups such as females, young people and graduates. The LEOs will work closely with other national and local players to provide a customer driven service for all who want to develop entrepreneurial and job creation ideas without displacing existing business or jobs. This will include the 114 completed Community Enterprise Centres throughout the State which continue to play a role in supporting entrepreneurial and community activities at a local level.

The service offering of Local Enterprise Offices will include:

- Grants for start-ups and micro firms that have international trading potential;
- Business related training such as Start Your Own Business, marketing, management and innovation;
- Business mentoring;
- Advice on commercial space such as incubation or enterprise centres;
- Reference of suitable clients to Enterprise Ireland's range of programmes and expertise;
- Advice and Guidance on other supports such as Microenterprise Loan Fund, Credit Guarantee Scheme, Credit Review Office, Revenue Investment Schemes, Back to Work Schemes, SOLAS or Skillnets Training Schemes, Local Partnership or other local enterprise funding initiatives;
- Information and advice regarding steps to setting up a business; and
- Information and advice regarding Local Authority supports or activities that affect enterprise including, rates, procurement or the planning system.

A strong ecosystem for entrepreneurs must encompass an innovative can-do culture, active mentoring and peer learning and access to a talented and educated workforce. The right conditions for entrepreneurship include the adoption of responsive public policies such as fiscal policy where both tax rates and targeted tax reliefs can support entrepreneurship, investment and influence business decisions. Tax incentives currently provided, including the

Seed Capital Scheme (SCS) and the Employment and Investment Incentive Scheme (EII) are an important source of finance for new entrepreneurs and need to be fit for purpose. Both schemes will be reviewed in 2014 to ensure that they meet this purpose. This supportive environment is conducive not only to indigenous start-ups, but to attracting overseas entrepreneurs to come and start their business here.

Strong collaborative approaches will be created between the private sector and the public sector, stimulating peer learning and knowledge sharing to continuously develop entrepreneurial capacity and achieve scale. The start-up community will be at the heart of the entrepreneurial ecosystem and will consist of strong and engaged entrepreneurs, generating high value and sustainable employment throughout the country, growing exports, capitalising on existing strengths in growth sectors and identifying new and unique opportunities for exciting entrepreneurial endeavours.

Our school leavers are the job creators of the future. Schools support entrepreneurship through a range of subjects and Transition Year modules which focus on business and enterprise. Schools will be further embedding entrepreneurship as they implement the reformed Junior Cycle which will present new opportunities for strengthening creativity and innovation, the foundation for entrepreneurial skills, and moving away from rote learning.

An increase in the availability of Accelerators around the country will enhance the support system for start-ups. Accelerators are fast-track programmes for start-ups and generally make an investment in the companies enrolled in their programmes. They offer hands-on assistance putting companies through a programme over several months aimed at helping them fine tune the most crucial areas of need for their businesses.

Provision of positive entrepreneurial role models, fostering positive attitudes to risk taking, teaching basic business finance and communications skills, combined with positive recognition of entrepreneurial achievement and commercialisation of academic innovation, will be central to achieving optimal results in the area of entrepreneurship. Inspiring and encouraging untapped potential in specific categories of society (e.g. young people and graduates, females, migrants) also provides significant opportunities.

It is well recognised that small start-up firms tend to bring about pioneering ideas and that significant job opportunities come from young firms. Recent research from the Central Bank has shown that two thirds of all new jobs created in agency-assisted Irish and foreign owned firms are created by start-ups and new entrants in the first five years of existence³. As well as job creation, entrepreneurship is a driving force for additional benefits such as:

- Generating fresh solutions to problems: The ability to continuously create new products, processes or services for a changing market is essential for any modern economy.
- Strengthening the enterprise base: Entrepreneurial activity strengthens the enterprise base not only through the creation of new businesses but also by stimulating improved performance and increased entrepreneurial behaviour in existing businesses.
- Creating vibrant regions: Entrepreneurship drives regional development, delivers economic and social benefits to regions, and builds strong local communities.

³ Lawless, M. (2013), Age or Size? Determinants of Job Creation, Research Technical Paper 2/RT/13, Central Bank of Ireland.

- Social inclusion: This is brought about when the opportunity of creating one's own business is offered to everybody, regardless of background or location, and when certain groups such as youth, women and immigrants, who are under represented among existing business owners, become involved.

Of significant strategic economic importance is the fact that a small number of entrepreneurs who establish new businesses will have a disproportionate positive economic impact due to their ability to exploit new technologies, their degree of innovation, their export orientation and their aspirations for growth. These types of companies typically fall into the High Potential Start-Ups (HPSU) cohort, which can avail of various supports from Enterprise Ireland.

All types of entrepreneurship are critical to the health of the Irish economy at both a macro and a micro economic level. For this reason, the Government committed to the preparation of a National Entrepreneurship Policy Statement in the Action Plan for Jobs 2013. The Policy Statement which will be published in Quarter 2 of 2014 will be based on the significant programme of consultation undertaken in 2013 as well as the recently published recommendations of the Entrepreneurship Forum. This Forum, which was chaired by entrepreneur and investor Sean O'Sullivan, has provided 69 recommendations relating to the ecosystem for entrepreneurship in Ireland. Many of the actions set out below are derived from the consultations undertaken in 2013 as well as the recommendations of the Entrepreneurship Forum. The Government's National Entrepreneurship Policy Statement will further expand on the policies and actions that will be pursued to give effect to the ambition of this Disruptive Reform.

2014 Actions

National Entrepreneurship Policy Statement

1	Publish the National Entrepreneurship Policy Statement which will include a targeted set of actions to be implemented such as those set out below.	(D/EI)
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Taxation Environment for Entrepreneurship

2	Review and consider further amendments to the Start Your Own Business (SYOB) initiative during 2014.	(D/Finance, Revenue)
3	Review and consider further amendments to the Employment Investment Incentive (EII) during 2014.	(D/Finance, Revenue)
4	Review and consider further amendments to the Seed Capital Scheme (SCS) during 2014.	(D/Finance, Revenue)

New Collaborative Approaches for Mentoring and Peer Learning	
5	Support the establishment of volunteer peer-mentoring network initiatives, organised and facilitated by individuals, entrepreneurs and industry representative groups. (DJEI and Enterprise Agencies)
6	Increase volunteerism for one-to-one mentoring. Seek volunteer entrepreneurs through industry representative body networks to act as 'buddy mentors' to start-ups. (DJEI and Enterprise Agencies)
Driving Entrepreneurial Activity at Local Level	
7	Formally establish the Local Enterprise Offices (LEOs), a world class enterprise support facility to provide a 'first stop shop' service for local start-ups and small businesses. (DJEI, EI)
8	Launch a Customer Charter to ensure a consistent standard of service available to all clients to respond to all business ideas. (EI, CEBs, DJEI)
9	Launch a new website providing information on all national and local enterprise supports as well as guidance and advice on various aspects of starting a business. (EI, CEBs, DJEI)
10	Using additional funding secured, develop a range of new initiatives in 2014 to support Youth Entrepreneurship and young people with a business idea to start their own business, to be delivered through the LEOs. (EI, LEOs, Microfinance Ireland, DJEI)
11	Develop and implement a strategy for commercially managed accelerators to support the quality of start-ups and increase the number of innovative start-ups. (EI)
12	Provide support for 155 high potential and early stage start-ups. (EI)
13	Launch three Competitive Start Funds (one of which will incorporate a manufacturing focus) to support thirty start-ups. (EI)
14	Build on the success of the Competitive Feasibility Funds and launch regionally targeted Funds in 2014 (Cork region, South East, North East and Mid West regions) and roll out Competitive Regional Feasibility funds to companies that produce products and services directed for sale to the wider Agricultural Sector. (EI)

15	Develop and implement a pilot ‘execution focused’ programme for HPSUs post their seed investment round to support and accelerate their development and growth.	(EI)
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Youth and Graduate Entrepreneurship

16	Launch a pilot entrepreneurship internship programme whereby a young person interested in starting their own business can shadow an entrepreneur.	(DJEI, Dublin Business Innovation Centre)
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17	Establish a competitive Youth/Graduate Entrepreneurship Fund to complement the new LEOS/Microfinance Youth Programme as a next step in a progressive support structure to promote and support start-ups by young entrepreneurs.	(EI)
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18	Roll out an enhanced Student Enterprise Awards initiative targeting a greater number of students from the third level sector and increasing the quality of applications.	(EI)
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19	Develop an Entrepreneurial PhD programme with a view to training more scientists in SFI supported research teams to launch their own businesses.	(SFI with relevant stakeholders)
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20	Support the voluntary youth work sector in accessing the proposed new Youth Programme and the Youth Entrepreneurship Fund by facilitating links between local youth services and the LEOS/Microfinance Ireland so that young people, especially those who are furthest from the labour market, can be supported and mentored in entrepreneurial initiatives.	(DCYA)
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Female Entrepreneurship

21	Promote female entrepreneurship through adoption of female role models, targeted events and awards, support for female entrepreneur networks and a dedicated area on the LEO and EI corporate websites.	(LEOs, EI)
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22	Launch and co-fund five Development Programmes focused on optimising the business capabilities for women-led businesses.	(EI)
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Inward Entrepreneurship

23	Attract overseas entrepreneurs including Irish emigrants to set up businesses in Ireland. Target support for 15 overseas entrepreneurs to establish their business in Ireland during 2014.	(EI)
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24	Develop and implement a strategy targeted at increasing the number of mobile medical device opportunities relocating to Ireland. (EI, IDA)
25	Enhance the marketing and promotion of the Immigrant Investor Programme and Start Up Entrepreneur Programme. (D/Justice, DFAT, DJEI, DES, Other relevant Departments and agencies)
26	Review the existing approach of the agencies to attracting overseas entrepreneurs to Ireland. (EI, IDA)

Case Study: Competitive Start Fund Case Study

As part of the suite of actions to support indigenous start-ups to emerge and grow, Action 179 of the 2013 APJ involves the expansion of Enterprise Ireland's Competitive Start Fund.

The Competitive Start Fund (CSF) was launched as a direct response to the needs of early-stage client companies. The fund aims to assist start-ups in a range of sectors to enable them to quickly test the market for their products and services and progress their business plans for the global marketplace.

Six separate competitions were rolled out under the programme in 2013, including a call aimed specifically at projects in the Digital Content sector and they attracted an unprecedented response from innovators around Ireland.

As part of the wider Enterprise Ireland initiative to identify female entrepreneurs, two separate Competitive Start Funds, solely for female entrepreneurs, have been launched. The first at the end of 2012, with the projects awarded in January 2013, the second in December 2013 with the successful projects announced in January 2014. Both female-only calls attracted an excellent response with 86 applications for the first call, and 92 for the most recent call – both calls attracted projects of notably high quality.

Enterprise Ireland is committed to rolling out the Competitive Start Fund on a regular basis during 2014, with a mix of ICT/Industrial, female entrepreneurs and sector-specific calls planned - including calls aimed specifically at Manufacturing technologies and the aviation sector. EI also plans to have a call aimed at younger entrepreneurs.

Companies that have progressed their business through the Competitive Start Fund include:

- Park by Text has developed software allowing vehicle drivers a cashless parking payment method through their mobile phones and providing parking management companies with a system to monitor and enforce parking fees. The company has been operating on the Irish market for the past year and is now at all Irish Rail stations among other sites (e.g. RDS, UCD, Irish Rail Stations etc). The company is now growing the business outside of Ireland, and is making significant progress on that front. Subsequent to the CSF funding, the company completed a seed investment round mid-2013.
- CleverMiles is a Sligo-based software company that have developed the world's first "Safe Driving" Platform and App. for 18-35 year olds that rewards drivers every time they choose to drive safely. CleverPoints are earned for every trip that can be redeemed against products from top brands. CleverMiles helps better, safer driving by providing feedback and tips on how drivers can improve. You can also compare your driving against your Facebook friends or any other CleverDriver in the world with options to join various sponsored CleverLeagues. CleverMiles was born from the IT Sligo college project team, which beat 350,000 other entrants from around the world to win the prestigious global Microsoft Imagine Cup in 2011. Subsequent to the CSF funding the company has gone on to raise a seed funding round late in 2013.
- Allogen Biotech is developing a portable food contamination and allergen-testing device that will enable food manufacturers and food processors bypass time consuming and expensive centralised laboratory testing. Subsequent to the CSF funding, which enabled initial testing and product development to be undertaken with IT Tallaght, the company has won several awards and recently completed a seed investment round.

2.2 Winning Abroad

In 2014 the Government will:

- Target the creation of an additional 10,000 new jobs (6000 direct and 4000 indirect) over 5 years through an investment programme which will see the provision of additional resources to IDA Ireland to be deployed overseas including in emerging markets, intensifying FDI employment growth;
- Increase support for companies seeking to trade internationally, through the provision of additional on-the-ground support by Enterprise Ireland in overseas markets including China, South Korea, United Arab Emirates and South Africa. This will also include targeting 650 companies to have significant engagement with the Enterprise Ireland Potential Exporters Division, working with 55 first time exporters and providing a range of programmes to exporters in 2014;
- Develop the capabilities of Irish enterprises to grow exports through programmes aimed at both existing exporters and potential exporters;
- Promote Ireland's image abroad to drive increased trade, tourism and investment and implement Local Market Plans in priority markets; and
- Undertake targeted initiatives in sectors including international education services, engineering services and cultural services and design.

Ambition

Improving our trade performance both in existing and emerging overseas markets and thereby creating jobs is a central aim of Government policy, most notably through the Trade, Tourism and Investment Strategy. We will allocate resources to support trade, tourism and investment in Ireland and ensure these resources are focused on specific targets set out in the Trade, Tourism and Investment Strategy. These targets cover export-related jobs; exports from companies assisted by Enterprise Ireland; diversification of export markets; tourism; and attraction of foreign direct investment (FDI) including FDI from emerging markets. In the context of this Disruptive Reform, Enterprise Ireland has a target to achieve €17.5bn in exports from client companies in 2014 and IDA Ireland has a target of 155 new FDI investments in 2014, with 20 per cent of these projects to come from emerging growth markets.

Rationale

There is a positive relationship between international trade and economic growth. As a country with a small domestic market and as one of the most open economies in the world, trade, tourism and investment are crucial to Ireland's economic growth. In the face of a challenging and uncertain international environment in the recent past, trade in goods and services has performed well and is above pre-crisis levels. The potential exists to further expand Ireland's trade, tourism and investment base but challenges exist. For example, Irish exports are concentrated in a relatively small number of sectors of business activity (although these are major sectors) and in a relatively small number of export markets (albeit major economies). This concentration leaves Ireland potentially vulnerable to economic downturns, the cyclical nature of sectoral demand and corporate strategies of individual businesses. To counterbalance this, Enterprise Ireland has strengthened resources in emerging economies to

diversify indigenous exports and IDA Ireland has targeted emerging economies as a source of new foreign direct investment.

Public resources are available through Ireland's network of embassies and the offices of its enterprise development agencies worldwide, and there is potential to further enhance the use of this network to increase Ireland's share of trade, tourism and investment. This is particularly the case in the context of growth in new and emerging markets and an increase in agency in-market resources. The development of a languages strategy in 2014 is another way in which Government will support Ireland's "winning abroad" agenda. So too is the coordination of a strategic approach to the management of Ireland's international reputation and the profiling of Ireland's specific strengths in key sectors and markets is of central importance.

The Review of the Government Trade, Tourism and Investment Strategy, 2010 – 2015 was published in February 2014. While retaining the key elements of the original Trade, Tourism and Investment Strategy, the review has provided a number of important additions. It incorporates a model of disaggregation of priority markets and a listing of high potential, exploratory markets to provide a more strategic direction for Ireland's international trade, tourism, investment and education promotion efforts; it develops a focus on key sectors of competitive advantage for Ireland in line with the Action Plan for Jobs process; it provides a refocused action plan under three key themes (Reputation; Facilitating and Enabling; Winning Business and Jobs); it updates numerical targets for trade, tourism and investment and adds targets for the international education sector. The review is an important aspect of the Winning Abroad Disruptive Reform as it will facilitate greater coordination of our Embassies and State agencies abroad, ensuring that we maximise the impact of State resources in our priority markets, giving them and Irish companies the best possible platform to win business overseas.

Ireland has well recognised strengths and an international reputation for design and creativity, for example in the fields of fashion, media and gaming. It is important to build on those strengths in order to encourage more people, businesses and organisations to invest in design and to promote Ireland's talents and reputation internationally as part of our enterprise and innovation culture. At the 2013 Global Irish Economic Forum a proposal was made to designate 2015 as the Year of Irish Design. The objective is to conduct a number of activities at home and abroad to encourage more investment in design and design skills and to promote Ireland's reputation internationally. The Government has accepted this proposal and '2015 Year of Irish Design' will be devised and managed by the Design and Crafts Council of Ireland on behalf of the Department of Jobs, Enterprise and Innovation and Enterprise Ireland.

Education is a rapidly growing, increasingly globalised sector. The direct contribution of the international education sector (from fees/exports and expenditure) to the Irish economy in 2012/2013 was over €800m. Demand for education continues to increase, particularly in emerging markets with growing middle class populations. To build on national efforts that have been taken to develop the international education sector, the Action Plan for Jobs 2013 recommended that a short focused review of the international education strategy be carried out. This will be published in the first quarter of 2014. This review will make recommendations in a range of areas, including strengthening our focus on the high-quality, high-value parts of the international education sector, enhancing the net jobs impact of internationalisation, enhancing connections with our international alumni and targeting more overseas scholarship and human capital development opportunities.

2014 Actions

Support for In-Market Activity

27	Appoint a new Enterprise Ireland marketing resource, following the approval of twenty posts by Government, in international priority markets including China, South Korea, United Arab Emirates and South Africa.	(EI)
28	Critically analyse the Foreign Earnings Deduction scheme (FED) with a view to adapting it if necessary to encourage SMEs to expand into new foreign markets.	(D/Finance, Revenue)
29	Target the creation of an additional 10,000 new jobs (6,000 direct and 4,000 indirect) over 5 years through an investment programme which will see the provision of additional resources to IDA Ireland to be deployed overseas including in emerging markets, intensifying FDI employment growth.	(IDA)

Develop Business Capabilities to Trade

30	Provide International Selling Programme to 55 participants in 2014.	(EI)
31	Roll-out Enterprise Ireland's Market Access Grant throughout 2014 to 35 companies.	(EI)
32	Enterprise Ireland will work with 55 first time exporters in 2014.	(EI)
33	Deliver the Access to Silicon Valley Programme to 40 participants in 2014 to fast track early stage Irish tech companies targeting Silicon Valley.	(EI)
34	Hold eight potential exporters awareness events and eight potential exporters workshops across the regions (two of each per quarter) and target 650 companies to have significant engagement with the Enterprise Ireland Potential Exporters Division.	(EI)
35	Issue a new call under the Graduate for International Growth (G4IG) Programme (25 companies).	(EI)
36	Build awareness of existing in-market resources which are available to Irish companies such as the EU SME Centre and the European External Action Economic Service.	(EI)

37	Develop and publish a languages education strategy, including foreign language education. (DES)
Promote Ireland's Image Abroad and Implement Local Market Plans	
38	Continue to develop the coordinated approach to international reputation-building efforts across Government, including through the regular updating of key messages on Ireland's economic recovery and their communication by Ireland's Embassy Network. (DFAT, D/Taoiseach with relevant Departments and agencies)
39	Finalise and publish the review of the Government's Trade, Tourism and Investment Strategy, to encourage a more flexible and focused approach in Ireland's efforts to promote trade, tourism and investment overseas. (DFAT, DJEI, with relevant Departments and agencies)
40	Roll out a schedule of trade missions and other trade, tourism, investment and education events focused on key target markets. At least 18 of these missions and related events will be led at Ministerial level. (DJEI, DFAT with relevant Departments and agencies)
41	Further develop and implement country-specific annual Local Market Plans (LMPs) by Local Market Teams (LMTs) in priority markets, chaired by the Ambassador and bringing together representatives from the Embassy network and state agencies in a fully coordinated approach. (DFAT, DJEI, with relevant Departments and agencies)
Winning Abroad through Sectoral Initiatives	
42	Develop and implement a work programme to deliver the Year of Irish Design 2015. (DJEI, DCCoI, EI, DFAT)
43	Support other recommendations arising from the 2013 Global Irish Economic Forum to establish metrics to measure the full impact of investment in the arts in Ireland and to develop a global Irish cultural broker network. (DAHG, Culture Ireland)
44	Implement the policies and actions outlined in the Review of the International Education Strategy. (DES, EI, HEA, Fáilte Ireland and education institutions)
45	Commission a survey of overseas Government scholarship opportunities, to identify potential for highly targeted actions in emerging markets for international education services. (DES, EI)
46	Support the Irish private sector to secure contracts for infrastructure, engineering and services projects, funded by international financial institutions, including in the context of fourth annual Africa-Ireland Economic Forum. (DFAT, DJEI, with relevant departments and agencies)

Case Study: Trade Missions

International trade is the lifeblood of the agri-food and fishing industries. Securing and enhancing access to high growth export markets is critical for trade and a dedicated inter-agency Trade Team for this sector is in place to advance access issues, develop trade links and networks and help secure commercial outcomes. In 2013, following the EU Presidency, Ministerial led food and drink trade promotion and inward investment visits to the Gulf States, Japan the United States and Switzerland, achieved significant commercial outcomes.

The visit to the Gulf Cooperation Council (GCC) countries of Qatar, Saudi Arabia and United Arab Emirates led to the announcement by the Irish Dairy Board (IDB) of a €20m investment in a Saudi Dairy company AL Wazeen. This will lead to the importation of Irish milk powders to Saudi for the production of approximately 20,000 tonnes of a new 'white cheese' which was specifically developed by IDB and Teagasc to cater for Middle Eastern tastes. In addition, Kerry Foods opened a new development centre in UAE to cater for the specific consumer demands and tastes in the Middle East, North Africa and Turkish markets while Bord Bia has opened a new offices in Dubai to support Irish food companies exporting to UAE.

In addition to immediate trade outcomes, valuable networks and contacts are established in State, commercial and investment circles which are used to further inward investment opportunities. Specifically, the Ministerial trade mission in 2013 has allowed Enterprise Ireland engage in discussions with multinational target investors on further investment in the infant nutrition, dairy ingredients and functional foods space.

An extensive series of new market and trade outlets were gained in 2013 on foot of Ministerial led trade missions and inter-agency technical and diplomatic activities. These include:

- The opening of the US to EU beef;
- The opening of the prestigious Japanese market, worth some €12 to €15 million; annually, to Irish beef
- UAE opened for sheep-meat;
- Libya opened for livestock;
- Australia opened for pigmeat;
- Iran opened for beef;
- GCC ban lifted for beef and sheep-meat;
- Canada market opened for sheep-meat;
- China opened for salmon; and
- Access to the Russian market permitted for meat products previously excluded.

2.3 Manufacturing: National Step Change

In 2014, the Government will:

- Support 130 indigenous companies with an initiative to improve their productivity as part of the National Step Change for Manufacturing;
- Deliver a transformation programme across 70 foreign-owned manufacturing and services companies in Ireland to achieve technology uplift, skills enhancement, energy improvements and investment in new facilities and equipment;
- Support the adoption of LEAN manufacturing and other productivity enhancing measures across a wide range of enterprises including relevant micro-enterprises;
- Ensure that publicly-funded R&D is oriented to the needs of manufacturing sectors and support increased engagement by manufacturing enterprises with research centres and technology centres focused on the needs of manufacturing sectors.

In addition, actions set out throughout this Action Plan (including in the areas of Competitiveness, Access to Finance, Research and Innovation, Aligning Skills with Enterprise Needs, Enhancing Indigenous Performance, Developing and Deepening FDI) will help to deliver on the Government's ambition for manufacturing in Ireland.

Ambition

The ambition for manufacturing in Ireland is that by 2020, Ireland will be internationally renowned as a place that excels in manufacturing and where manufacturing accounts for a significant share of economic activity. Based on studies undertaken in the context of the Action Plan for Jobs⁴, with the appropriate actions, Ireland can grow direct manufacturing employment by more than 40,000 by 2020. The characteristics associated with our ambition for manufacturing include Ireland being:

- A place where manufacturing is focused on the customer – being agile, responsive and collaborative;
- A place where people make the difference – multi-disciplinary and highly skilled people with a distinctive capability in simplifying the complex;
- A place that innovates in product development and manufacturing processes – embracing leading edge technologies; and
- A place where quality is embedded across business operations - demonstrated by differentiation and a track record in highly regulated sectors.

Rationale

Manufacturing has contributed significantly to Ireland's economic development and is a crucial element of Ireland's economic future. More than 210,000 people are employed directly in manufacturing and the sector supports an even greater number of jobs indirectly in the economy. It is an important source of jobs for people at all skills level and it plays a key role in driving innovation and technological advance. Ireland has built up particular strengths in a

⁴ "Making it in Ireland, Manufacturing 2020", Forfás, 2013 and "The Future Skills Requirements of the Manufacturing Sector to 2020", Expert Group on Future Skills Needs and Forfás, 2013

range of sectors including biopharma, pharma, medical technologies, food, engineering and electronics.

As a small open economy, Ireland is impacted by global economic cycles and shifts in industries – factors over which we have no control. Government policy in areas such as cost competitiveness, the fiscal environment, education and skills, research, development and innovation and physical infrastructure can however play a crucial role in providing a supportive business environment that will enable firms to increase their competitiveness, productivity performance and ability to innovate. It is evident that manufacturing globally is changing at an unprecedented pace in terms of business practices and ways of working. Such changes have implications for all firms, regardless of scale.

At the level of the firm, a National Step Change in manufacturing can help place Ireland's manufacturing sector to the forefront internationally and improve competitiveness, productivity and innovation; improve connections to the customer and expansions into new markets; and to engage in new ways of working. The National Step Change envisages delivering a suite of supports that are tailored to the specific needs of a firm, depending on its stage of development and strategic intent, and regardless of ownership and/or scale.

In terms of assisting indigenous manufacturing companies to grow to scale, Enterprise Ireland will work intensively with a cohort of its client companies (with revenues of €20 - €100 million) that are positioned for significant growth. Enterprise Ireland is also focused on ensuring the creation of manufacturing start-ups which will be the medium sized companies of the future. IDA Ireland is working closely with a significant number of foreign-owned manufacturing enterprises through a Client Transformation Programme. Through this programme, manufacturing MNCs in Ireland are supported in seeking to widen and deepen the mandate and functions of existing facilities. This is achieved through a range of instruments such as employment, training, capital, R&D, environment and process improvement incentives so that Ireland continues to be well-positioned for manufacturing and related business opportunities into the future.

2014 Actions

Deliver a single National Productivity Initiative

47	Enterprise Ireland will support an overall total of 130 firms across all levels and activities, and aim to increase the up-take by medium-sized firms through its LeanStart, LeanPlus and LeanTransform Programmes. Within this overarching target, Enterprise Ireland will support an additional 15 companies through its LeanTransform Programme in 2014. This will include engaging with the strategic client cohort to stimulate continuous improvement toward international award recognition.	(EI)
48	IDA will support 70 companies in manufacturing and services in 2014 through its Client Transformation Programme. The Programme involves a range of instruments such as: employment, training, capital, R&D, environment and process improvement incentives to achieve technology uplifts, skills enhancement, energy improvements, productivity uplift and investments in new facilities and equipment.	(IDA)

49	<p>Building on existing work with client companies Enterprise Ireland will identify and work with a group of mid-sized manufacturing firms (initially 12) to secure their commitment to achieve significant growth over the next five years based on agreed action plans. Management development, benchmarking and strategic reviews and lean business programmes will form the basis of this suite of supports.</p> <p style="text-align: right;">(EI)</p>
50	<p>Enterprise Ireland/ Local Enterprise Offices will build upon and roll out a Lean Start Initiative to micro manufacturing firms, providing guidance on Lean, facilitating self-assessment and signposting to other relevant services/training (e.g. Skillnets).</p> <p style="text-align: right;">(EI, LEOs)</p>
51	<p>Build on the release of the “SWIFT 11-2013 - Driving Competitiveness using Lean” guide by working with EI/IDA/LEOs to increase company awareness and use of the national Lean guide.</p> <p style="text-align: right;">(NSAI)</p>
52	<p>Engage with EI/IDA/LEOs, industry representative organisations, academia, consultants and industry to determine the feasibility of developing a standard for Lean.</p> <p style="text-align: right;">(NSAI)</p>
53	<p>Promote take up of business management systems through establishment of a national award scheme for best in class businesses.</p> <p style="text-align: right;">(NSAI)</p>
54	<p>Expand and enhance the existing panels of Lean/productivity experts to strengthen the international and sector specific expertise, informed by the needs of foreign owned and larger scale firms.</p> <p style="text-align: right;">(EI, IDA)</p>
55	<p>Leveraging the Local Enterprise Offices web portal, facilitate access to a self-assessment on-line diagnostic tool(s) appropriate for those Local Enterprise Office clients starting on the Lean journey, together with easily digestible ‘how to’ guides and signposting to the supports available and appropriate contact point(s).</p> <p style="text-align: right;">(EI, LEOs)</p>
56	<p>Facilitate peer-to-peer and cross sectoral site visits to share learnings and to build Ireland’s national capabilities in Lean principles, diagnostics, and international award criteria and processes.</p> <p style="text-align: right;">(EI, IDA, IMDA, PCI, FDII)</p>
57	<p>Develop, and make readily available on relevant agency websites, a number of case study examples that demonstrate the business benefits (and imperative) for adopting Lean principles.</p> <p style="text-align: right;">(EI, DJEI, MDF)</p>

58	<p>Deepen engagement at European levels through (for example) the European Benchmarking Forum, and with key Mittelstand companies through the Kostwein Circle, ensuring that Ireland remains to the forefront of international best practice and raises the profile of Ireland's manufacturing operational excellence.</p> <p style="text-align: right;">(EI)</p>
Enhancing Research, Development and Innovation (RDI) Capacity in Manufacturing	
59	<p>Adapt funding model to maximise potential funding opportunities for relevant Manufacturing Technology Centres in order to capitalise on existing synergies and to ensure more efficient and effective delivery of research supports to industry partners.</p> <p style="text-align: right;">(EI, IDA)</p>
60	<p>Stimulate increased engagement and reduce barriers to engagement by SMEs in collaborating in State funded Technology Centres and other research and related Higher Education Institution expertise.</p> <p style="text-align: right;">(EI, Technology Centres, cTTO)</p>
61	<p>Introduce a targeted call for Innovation Vouchers for the manufacturing sector.</p> <p style="text-align: right;">(EI)</p>
62	<p>Launch a scheme to attract key researchers with manufacturing research expertise and continue to develop manufacturing research skills through relevant schemes (SFI Research Professor, President of Ireland Young Researcher Award, and European Research Council Support and Development programmes).</p> <p style="text-align: right;">(SFI)</p>
63	<p>Engage with manufacturing firms to assess the business case for further public and/or private investment in applied research infrastructure and core operational funding to support high value manufacturing sectors with the greatest potential for economic impact. Assess the business case for large scale public and/or private investment in quasi-industrial, pilot-scale demonstrator production capabilities.</p> <p style="text-align: right;">(IDA, EI)</p>
64	<p>Based on the recent and projected growth in bioprocess manufacturing and the potential to win future FDI from this sector, assess the business case for prioritising public (including EU) and/or private funding to the funding of research centres in this area and identify possible operational /funding models. Further examine the business case for State-funded bioprocessing training, including the net benefit to the skills base in Ireland, and the optimum arrangements for provision of such training. Ensure full leverage of prior infrastructural investment in the National Institute for Bioprocessing Research and Training (NIBRT), an existing large scale quasi-industrial facility offering training and pilot-scale bioprocess research capability.</p> <p style="text-align: right;">(IDA)</p>

3. Progressing the Disruptive Reforms from the 2013 Action Plan

Seven “Disruptive Reforms” were introduced in the 2013 Action Plan for Jobs as new, high impact, cross-cutting measures with the potential to have a significant impact on job creation, to support enterprises and/or be areas where Ireland could profit from a natural advantage or opportunity that presents itself in the economy. Disruptive Reforms were described as representing a new way of creating focus on opportunities requiring support from across a number of Government Departments, with ambitious goals and aggressive timescales.

While it was not expected that each Disruptive Reform would be fully implemented in a single year, it was envisaged that actions would be taken to at least commence implementation, with support from both the public and private sectors. To this end, the Industry Partners appointed by the Government in early 2013 have played a particularly important role in helping to support and oversee the implementation of the initial set of Disruptive Reforms.

Detailed reports on the actions taken in 2013 to progress the Disruptive Reforms have been published in the Fourth Progress Report for the 2013 Action Plan for Jobs⁵. Six of the seven Disruptive Reforms will involve follow-on actions in 2014 (and in subsequent years) in order to realise their ambition. The JobsPlus initiative, launched in 2013, has already been mainstreamed and has proven to be particularly impactful. There are no new actions required for this initiative in 2014. A brief overview and the 2014 actions to be progressed in respect of the six other Disruptive Reforms are set out below.

3.1 Big Data and Data Analytics

The overall ambition of the Disruptive Reform is to “build on existing enterprise strengths to make Ireland a leading country in Europe in the area of Big Data and Data Analytics. A number of significant initiatives and investments were progressed, in partnership with the enterprise sector, during 2013 and Ireland is in a strong position to realise the stated ambition of this Disruptive Reform. Among the key initiatives progressed in 2013 were:

1. The establishment of a Taskforce on Big Data and Data Analytics;
2. The completion of a mapping of infrastructure and initiatives supporting Big Data and Data Analytics in Ireland;
3. The identification of pilot projects to demonstrate the impact of Big Data and Data Analytics;
4. The launch of Insight, the SFI-supported research centre for data analytics involving a €88 million investment by Government and industry;
5. The launch by Enterprise Ireland and IDA Ireland of the CEADAR Technology Centre in data analytics;
6. Preparations for Ireland’s membership of the Open Government Partnership including a commitment to a number of actions in the area of “open data”;

⁵ 2013 Action Plan for Jobs – Fourth Progress Report
http://www.djei.ie/publications/2013APJ_Fourth_Progress_Report.pdf

7. Support for a number of courses targeting the area of data analytics particularly under the Call for ICT Conversion Courses in 2013;
8. Completion by the Expert Group on Future Skills Needs and Forfás of a study of skills demand in Big Data and Data Analytics.

The actions set out below will build on the initiatives and investments made in 2013 and will help to give Ireland a leadership position in a number of specific aspects of Big Data and Data Analytics.

2014 Actions

65	Support the further scaling-up of the INSIGHT Research Centre in 2014. INSIGHT will sign collaborative research agreements with over 30 companies, secure at least €6 million investment from non-Exchequer sources and employ over 300 people by end-2014.	(SFI)
66	Support the further scaling-up of the CeADAR Technology Centre including the appointment of an industry-experienced Director to the Centre.	(EI, IDA)
67	Issue a targeted Call for Innovation Vouchers in the area of data analytics.	(EI)
68	In the context of Research Prioritisation, all relevant research funders will continue to fund R&D, in partnership with the enterprise sector, in “Data Analytics, Management, Security and Privacy” and will report on progress in implementing the action plan for this priority area.	(EI, SFI, IDA and other relevant research funders)
69	Consider and progress the recommendations of the Expert Group on Future Skills Needs Study on skills requirements in big data and data analytics which will be published in early 2014.	(DES, DJEI, EGFSN with relevant Departments and agencies)
70	Launch an Open Data initiative, which will include the establishment of an Open Data portal to act as the primary source of public sector datasets, in the context of Ireland’s membership of the Open Government Partnership.	(DPER, Implementation Group on Open Data, relevant Departments and agencies)
71	Further strengthen the mechanisms for data sharing and the use of data analytics across Government by enacting the required legislation, setting up a platform to facilitate data analytics within Government and taking steps to strengthen further Ireland’s national data infrastructure.	(DPER, DCENR, D/Health, other relevant Departments and agencies)
72	Monitor implementation of pilot initiatives identified by the Taskforce on Big Data and Data Analytics whereby data analytics can be applied to address specific actions delivering economic impact and/or improved public services.	(DJEI/ Forfás, EI, IDA, SFI, other relevant Departments and agencies)

73	<p>Assess Ireland's progress in developing a leadership position in Europe in this area and set out further requirements to build/maintain this position.</p> <p style="text-align: right;">(DJEI/ Forfás, Taskforce on Big Data and Data Analytics)</p>
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3.2 ICT Skills

The information and communications technology (ICT) sector is of strategic importance to Ireland, both in terms of the numbers of high skilled professionals employed and its significant contribution to Ireland's export performance – accounting for €70 billion in exports per annum. There is a continuing strong demand for high-level ICT skills with 44,500 job openings forecast to arise over the period to 2018 from both expansion and replacement demand⁶. A solid base of ICT skills capability will enable individuals to adapt to changing specialisms and technologies.

There is no single solution to ensuring the necessary supply of skills but rather a sustained effort to support the implementation of measures underway is set out in the Government's ICT Action Plan. All potential policy levers will need to be utilised to build up the ICT skills supply pipeline including through mainstream education and training, conversion and reskilling programmes, continuing professional development and attracting experienced international and expatriate talent. Policy is focused on increasing the domestic supply of ICT graduate output in the first instance and meeting remaining demand through the attraction of people with these critical skills from abroad by selling Ireland as a destination of choice, targeting our expatriates and through a targeted and user friendly Employment Permit system.

The actions to take forward the ICT Skills Disruptive Reform are included in an update to the Government's ICT Action Plan which is being published early in 2014. The update to the ICT Action Plan takes account of the recent Forfás/ EGFSN study which forecasts high level ICT skills needs to 2018.

2014 Actions

74	<p>Publish a revised ICT Skills Action Plan informed by the recent Forfás/ EGFSN study forecasting high levels of ICT skills needs to 2018, that would further progress increases made in the domestic supply of ICT graduate output and move from 63 per cent of demand in 2014 to 74 per cent of demand in 2018.</p> <p style="text-align: right;">(DES, DJEI)</p>
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⁶ Forfás/ EGFSN (2013), Addressing Future Demand for High-Level ICT Skills

Case Study: ICT Skills Conversion Programme / Cork Institute of Technology

In January 2012, the Minister for Education and Skills published the **Joint Government-Industry ICT Action Plan: Meeting the High Level ICT Skills Needs of Enterprise in Ireland**. The Plan is a collaborative system-wide response, across Departments, agencies and the education and enterprise sectors aimed at increasing the domestic supply of high-level ICT graduates. It sets out a range of actions aimed at meeting the skills gap in the short term while in tandem increasing the longer term supply of high quality graduates.

One of the key measures in the ICT Action Plan was the roll-out of intensive honours degree level ICT conversion courses, designed and delivered in partnership with industry. The programmes, which are selected for funding following a competitive tender process, equip graduates with core computing and programming skills as well as with a range of specialisations in areas of growth potential such as software development, cloud computing and data analytics.

Cork Institute of Technology has a track record in developing new flexible academic programmes to up-skill those at work and those who are seeking employment. The impact of these new developments enables jobseekers to:

- Learn in new and flexible ways, where lectures are delivered live over the Internet where students attend, replay or catch up if they miss a particular class due to work or other commitments. This enables jobseekers to learn when it suits them best.
- Learn relevant and job focused skills because innovative curriculum design methods were deployed to ensure that all modules and programmes are relevant.
- Experience a world-class cloud infrastructure, cloud based lecture delivery technology, the virtualisation and remote access to sophisticated labs and a new state-of-the-art elearning centre.

Under the ICT Skills Conversion initiative Cork Institute of Technology developed two new programmes:

- Higher Diploma in Cloud Computing
- Higher Diploma in Mobile and Cloud Application Development

Both programmes are delivered fully online by day, lectures are streamed live over the Internet to students spread throughout the country. Labs are hosted 24/7 on CIT's world-class private cloud infrastructure.

These programmes have been extremely successful. The first group of 63 graduates entered either structured internships or full-time positions in the IT industry in February 2013, a 100 per cent internship/employment record. Feedback from employers has been positive with many wishing to hire even more graduates from these programmes.

3.3 Integrated Licensing Application Service

The overall ambition of the Disruptive Reform is to develop an integrated licensing application service to help reduce the regulatory burden on the enterprise sector. Using the retail sector as a pilot a Steering Group, chaired by the Minister for Small Business, Mr John Perry T.D., and comprising relevant stakeholders including licensing authorities, relevant Government Departments and agencies, was established to develop an integrated licensing application service. The Steering Group agreed the principles and key parameters for the Integrated Licensing Application Service and considered options for delivering this service either through an extension of an existing platform within the State sector or an outsourced provision of the solution. As no additional Government funding was available the Steering Group agreed to progress the option of an outsourced provision, through a finance-design-build- operate model. A detailed functional specification has been developed, in consultation with representatives from key licensing authorities, that reflects the requirements of the licensing authorities including managing licence application forms, registration of licensees, managing licence applications and renewals, remittance of licence fees, transmission and security of data, training, customer support and marketing of an integrated licensing application service. This functional specification has formed part of the Request for Tender which has been issued in the EU Official Journal. The Local Government Management Agency (LGMA) is managing this tendering process and providing other project management services for the successful delivery of an Integrated Licensing Application Service.

2014 Actions

75

Deliver the Integrated Licensing Application Service for the retail sector.

(DJEI/Forfás, LGMA, Steering Group, Relevant Licensing Authorities)

3.4 Trading Online

Over the past decade, the influence of the internet on the Irish economy has been steadily growing. In 2013, Indecon evaluated the contribution that digital-related activities made to the Irish economy to be 4.4 per cent of GDP. The contribution, they predicted, would increase by 16 per cent year on year⁷. Almost 95,000 jobs are already supported by digital-related activities in the economy.

Not all sections of the economy are taking full advantage of the efficiencies and opportunities that the digital economy can bring to business. Notwithstanding Irish consumer online spending of in excess of €4bn annually, latest information shows a significant gap between large companies and small companies in engaging in online sales. In 2013, 45 per cent of large enterprises in Ireland (>250 employees) engaged in online selling, accounting for 43 per cent of total sales in firms of this size. On the other hand, 20 per cent of small enterprises (10-49 employees) engaged in online selling, accounting for 13 per cent of total sales in firms of this size⁸. Many of these smaller businesses operate in the domestic economy which has been significantly impacted by the recession.

⁷ Indecon data published as part of the National Digital Strategy, July 2013.

⁸ CSO, Information Society Statistics, Enterprise Statistics, Dec. 2013.

Accessing new markets through online trading is a tangible way of mitigating the impact of low domestic demand and of securing business sustainability into the future. While Ireland is viewed as an important “emerging market” for Business-to-Consumer eCommerce, other similar sized countries in Europe, such as Denmark, Finland, Norway, Sweden, The Netherlands, Austria and Sweden are judged to have more mature eCommerce markets⁹. Ireland needs to be ambitious in targeting new markets via this medium.

A set of integrated actions has been identified with the objective of encouraging at least 10,000 Irish based small businesses to become active on-line in 2014 and 2015. A target of 2,000 micro and small businesses will be supported to develop their business by trading on-line¹⁰ over this two year period. The net jobs gain envisaged under this programme will be in the order of 3,200¹¹.

In 2013, implementation of the scheme started with the development of a trial, based in Dublin in conjunction with Dublin City Enterprise Board. Small businesses applied for participation in a scheme which released 25 trading online vouchers. The initial trial was almost four times oversubscribed.

2014 Actions

76	Complete the second trial of Trading Online initiative in Dublin. (DCENR, DCEB)
77	Develop an industry led awareness and promotion campaign to increase demand from small businesses. (DCENR, Digital Industry)
78	Launch National Scheme targeting the distribution of 1,000 vouchers in 2014. (DCENR, DJEI, LEOs)

3.5 Energy Efficiency

As set out in the Action Plan for Jobs 2013, over the period to 2020, we will transform Ireland into one of the most energy efficient economies in Europe, yielding a significant jobs dividend in a range of areas, including retrofitting, energy management services and the development and manufacturing of energy efficient products. Good progress has been made on the actions set out in 2013. Firstly, the National Energy Services Framework was published in Quarter 4 of 2013 following an extensive consultation process which saw three drafts of the Framework made available for public comment and review, leading to the final version having widespread industry acceptance. The Framework will continue to be updated and revised as necessary throughout 2014 and future years.

⁹ Ecommerce Europe, Europe B2C Ecommerce Report 2013.

¹⁰ OECD definition: sales for goods and services for which an order is placed by the buyer or price and terms of sale are negotiated over the internet, extranet or electronic data exchange network, e-mail or other electronic system. Payment may or may not be on-line.

¹¹ Based on analysis done by McKinsey that for every job the internet displaces it creates 2.6 jobs. This is an estimate based on international experience and cannot be construed as the definitive outcome of the proposed integrated actions.

The Department of Communications, Energy and Natural Resources will continue to support the Exemplar Projects as they move through the Framework procurement steps, with financial and technical assistance as a key element in our strategy to stimulate further economic activity linked to energy efficiency. 2014 will see a broadening and deepening of supports to industry. Work on establishing the Energy Efficiency Fund is well advanced, having undertaken a rigorous selection process to identify a preferred partner. Work will continue into 2014 on finalising the remaining legal and commercial issues ahead of the full establishment of the Fund in Quarter 1 of 2014. Energy use in the public sector remains a key focus on national energy efficiency policy. 2014 will see the publication of the first comprehensive report on energy use in the public sector. This report will build upon work undertaken since 2012 on building a database of over 36,000 electricity and gas meter point numbers (mprn/gprn) which enables us to collate, analyse and report on energy usage in the public sector. More importantly, it allows for the publication of performance scorecards of energy performance for those public sector bodies that use the most energy.

2014 Actions

79	Provide €57 million in Exchequer supports to further stimulate energy saving activity in the residential sector and implement a publicity campaign so that those who can avail of this are aware of the supports.	(DCENR)
80	Publish report on public sector energy usage.	(SEAI)
81	Establish the Energy Efficiency Fund.	(DCENR)
82	Continue to support the Exemplar Projects.	(DCENR)
83	Review the National Energy Services Framework and update as required.	(DCENR)

3.6 National Health Innovation Hub

The aim of this Disruptive Reform is to establish a world renowned Health Innovation Hub to drive collaboration between the health system and commercial enterprises leading to the development and commercialisation of new healthcare technologies, products, and services, emerging from within the health system and/or enterprise. These products and services will benefit the health system by improving patient outcomes and reducing costs. In doing so, we will establish Ireland as a leading location for start-up and other dynamic medtech and healthcare companies.

As a precursor to the establishment of a National Health Innovation Hub, a Demonstrator (pilot) project was established in Cork to test the hub model – essentially it is a prototype for further national assessment. The Demonstrator brings together six innovative Irish healthcare companies and links them with the health service by providing dedicated contact points,

facilitated project management, office space, advice and access to the hospital and the Primary Care system in Cork. In this context, a number of actions have taken place under the auspices of a National Project Team (NPT) which consists of a multidisciplinary team spanning the Department of Jobs, Enterprise and Innovation and the Department of Health, as well as executives from the HSE, Enterprise Ireland, IDA Ireland and Science Foundation Ireland, and chaired by an industry leader. Key developments include:

- Government approval was secured to support the operation of the Demonstrator project and its performance has been monitored and assessed throughout 2013;
- In parallel, the critical needs of the health system are being identified and areas of likely focus from an enterprise/research perspective are being collated;
- Additionally, self-assessment by the Demonstrator project has been undertaken in order to allow the learnings from the project to inform proposals for Government on the design of a National Hub; and
- Various options for the manifestation of a National Hub are being considered by the NPT and possible governance arrangements and terms of reference are also being considered.

2014 will see a continuation of support for the Demonstrator project in Cork with a view to further proving the concept and to inform the development of proposals by mid-2014 on the design of a National Health Innovation Hub.

2014 Actions

84	Assess and select participants for the next round of projects for the Cork Demonstrator based on call for proposals. (Cork Demonstrator Steering Group)
85	Report to the Cabinet Committee on Health on progress of the Demonstrator Project and on National Project Team deliberations with regard to the National Health Innovation Hub. (Chair of National Project Team)
86	Manage external evaluation of the Cork Demonstrator Project. (EI on behalf of National Project Team)
87	Agree optimum arrangements for the establishment of a National Health Innovation Hub based on the learnings from the Cork Demonstrator Project and its evaluation. (National Project Team)
88	Prepare proposals for Government consideration outlining next steps required for the establishment of a National Health Innovation Hub. (DJEI, D/Health)

Case Study: Big Ideas Case Study

In September 2013, the Minister for Research and Innovation, Mr. Seán Sherlock T.D. opened the fifth annual 'Big Ideas' Technology Showcase. This event involved a total of 21 inventors who pitched their new technologies to an audience of over 450 potential investors.

The aim of the event is to connect the inventors with the right investors and business partners to establish new companies and create high-value jobs. The inventors are researchers from Higher Education Institutes who have used public-funding to develop innovative technologies including:

- treatments for high-blood pressure, varicose veins and dementia;
- data security for documents stored in the cloud;
- smart paint that transforms any surface into a whiteboard;
- surgical innovations ; and
- safe, natural clean-up solutions for toxic dumps.

Minister Sherlock also presented Enterprise Ireland Commercialisation Awards to three individuals who have successfully commercialised publicly-funded research. Those individuals were from University College Cork, Dublin City University and the University of Limerick.

One of the Big Ideas at the event was a technology called REMPAD which was presented by Julia O'Rourke. Rempad is a new software tool which uses multi-media content to connect carers and residents with memories from the past to enhance the overall wellbeing of nursing home residents suffering from Alzheimer's.

O'Rourke went on to win the Clinical Innovation Award 2013, sponsored by Enterprise Ireland and the Cleveland Clinic, for the technology, which she developed in collaboration with the Adelaide and Meath Hospital and researchers at CLARITY in Dublin City University. Julia O'Rourke, a senior speech and language therapist, was presented with the award by Minister Bruton at the Enterprise Ireland Med in Ireland event in Dublin in October 2013.

All of the 'big ideas' have come through the national technology transfer system which is funded through Enterprise Ireland. Initially the technologies were developed by the researchers in Irish Higher Education Institutes (HEIs) using public research funds. They were then commercialised with funding and advice from Enterprise Ireland and the Technology Transfer Office within the HEIs.

4. Competitiveness

Given the fundamental link between competitiveness and job creation, the Government will:

- Increase the focus on competitiveness in all parts of the economy in 2014.
- Through the Cabinet Committee system, notably the Cabinet Committee on Economic Recovery and Jobs, monitor progress on competitiveness issues identified by the National Competitiveness Council and others, consider further actions to improve Ireland's international competitiveness and consider initiatives to make it easier to do business in Ireland. The Cabinet Committee(s) will be supported by the corresponding Senior Officials Group(s) and the Action Plan for Jobs Monitoring Committee in this work. This work will include actions to:
 - Review the key competitiveness issues for business, including in particular cost competitiveness, and take action on key challenges identified;
 - Review key challenges in terms of the ease of doing business in Ireland and take action on issues identified; and
 - Ensure that for each quarter, Government considers a report on competitiveness issues and progress in addressing them.

In order to deliver growth and jobs, Ireland's international competitiveness needs to continue to improve. Generating sustainable broad based export-led growth is essential to rebuilding our economy. Furthermore, within the eurozone, competitiveness is and will remain a critical policy component and one that Ireland must ensure remains at the heart of our overall economic and fiscal policy. The Action Plan for Jobs is a mechanism to drive competitiveness in all areas of economic activity.

Ireland's international competitiveness has already improved significantly in recent years. This is evidenced by the fact that net exports have been driving economic activity in Ireland since 2008. Ireland's competitiveness ranking in the IMD's World Competitiveness Yearbook has improved from 24th in 2011 to 20th in 2012 and 17th in 2013. As economic growth improves there is a significant risk, however, that some of these gains will be eroded. Continuing to raise competitiveness through reforms, while challenging, is crucial to building sustainable economic and social progress.

Ireland can never again become complacent about its competitive position. If we are to meet the employment targets contained in this Plan, Ireland must maintain the hard-won ground over the past number of years and pursue relentlessly policies which will drive competitiveness in all areas of the economy. Many firms are still confronted by high costs which make it difficult to compete internationally. Others are dealing with legacy issues that make accessing funding for investment extremely challenging. Still others lack the capabilities (e.g. innovative capacity, language and international sales skills, technical competencies, etc.) to take advantage of growth opportunities. Creating a competitive business environment which supports an increase in exports from these firms is essential to ensuring Ireland achieves sustainable economic growth and high levels of employment growth.

Enhancing competitiveness is a long term challenge. National competitiveness is a broad concept that encompasses a diverse range of factors including education and training, entrepreneurship and innovation and Ireland's economic and technological infrastructure and regulatory framework. The preservation of a consistent and competitive tax system is also important.

In the short term, cost competitiveness is a critical foundation. Productivity growth drives competitiveness in the longer term as it can support cost competitiveness in tandem with improving living standards for all. Despite progress, there is a range of challenges that we must continue to address:

- **Costs:** The cost of labour is the most significant driver of business costs for most firms – particularly for services firms. Across manufacturing, property, transport, and utilities costs also play an important role. Since the onset of the recession, Ireland has recorded a significant improvement in cost competitiveness. For example, the cost of renting prime office space in Dublin fell by almost 47 per cent between the peak in 2007 and 2012. However a strengthening euro combined with increases in a range of business costs (e.g. labour rates, electricity and international gas costs, waste costs, air and sea transport costs, etc.) are now reversing some previous gains. Regarding property, there is a risk of shortages in relation to prime office space which could result in future rent increases. More broadly, while consumer prices in Ireland have adjusted downwards in recent years, prices remain high. In 2012, Ireland was the 3rd most expensive country in the euro area for consumers. Government Departments will review the key cost issues for business and take action on key weaknesses identified, and will report to Cabinet Committee on Jobs and Economic Recovery.
- **Productivity:** Ireland's productivity performance has improved considerably in recent years, with growth rates well above the OECD average. Much of this improvement has been driven by a small number of high productivity exporting sectors. Further work is required to support broad based productivity growth in domestic sectors of the economy. In this respect, the Disruptive Reform in Manufacturing (section 2.3) aims to improve productivity performance in Ireland's manufacturing sector.

To ensure future productivity growth is sustainable it will be important to provide a supportive environment for investment in high growth sectors which will have the dual effect of both increasing productivity and expanding employment. In this regard:

- **Ease of Doing Business:** The World Bank monitors national regulatory environments and compiles an annual global ranking of their competitiveness. In 2014 Ireland ranked 15th out of 189 countries. Forfás has identified a range of targeted steps to improve our strong performance further. Supported by the Department of Finance, relevant Government Departments will review key weaknesses and will report to the Cabinet Committee on Jobs and Economic Recovery on actions to improve performance. The World Bank index, while important, does not capture all the barriers to creating an environment that is conducive to doing business. Other important processes that will be reviewed include the regulatory approval process, health and safety compliance costs, prompt payments and workplace relations.
- **Innovation and Entrepreneurship:** According to the EU's Innovation Scoreboard, Ireland is an 'innovation follower' – ranking 10th in the EU 27 in terms of innovation performance. The survey found Ireland's innovation strengths are in human resources and economic incentives, while our weaknesses relate to finance, Government support, and firm investment. As already noted in section 2.1, growing the number of

entrepreneurs and start-ups is hugely significant to Ireland's development. These issues are addressed further in section 4.6.

- **Employment and skills:** Despite significant improvements in educational attainment levels in Ireland in recent decades, there are a number of skills shortages in some niche sectors of the labour market for highly qualified/experienced individuals (e.g. science and engineering professionals, and IT associate professionals) that we must address. More broadly, while the number of science and computing graduates per capita compares favourably with other euro area states, a challenge remains to enhance Ireland's performance in terms of maths and reading literacy and to ensure that the education and training system is producing the skills needed to support future growth. Improving the incentives to work is important for those facing high replacement ratios. These issues are addressed further in section 4.7.
- **Infrastructure:** Despite the high level of investment undertaken in the years prior to the economic crisis, pressures on infrastructure (transport, environmental, energy) will increase as the economy grows. Enhancing our ICT infrastructure is particularly important to growing productivity and supporting the development of high growth sectors in regional locations. These issues are addressed further in section 4.3.
- **Finance:** Significant progress has been made in stabilising the State's finances and the health of the banking system. However, high debt levels continue to depress domestic demand across the economy, with household, enterprise and Government debt significantly above euro area levels. Increasing funding for indigenous enterprise remains a key competitiveness issue. These issues are addressed further in section 6.

4.1 Institutionalising the Drive for Competitiveness

One of the clearest impacts of the banking excesses and the property bubble was the impact that it had on Ireland's competitiveness. We must ensure that we never again take our competitiveness for granted. The Government has already taken steps to strengthen the institutional arrangements which support competitiveness. In 2013, as a first step, the Government put in place a formal structure to ensure that all official Government decisions are analysed for any potential impacts on competitiveness before they are made.

In 2013, Minister Bruton, further strengthened the mandate of the National Competitiveness Council, appointed key industry figures to the Council, expanded its sectoral reach and tasked it with inputting to the Competitiveness section of the Action Plan for Jobs.

In 2014, led by the Taoiseach, Government will focus on competitiveness in all areas of economic activity. This is aimed at enhancing Ireland's competitiveness, particularly in the area of costs, and achieving a top-five international competitiveness ranking, making Ireland the best small country in which to do business and creating the jobs we need.

89	<p>The Cabinet Committee on Economic Recovery and Jobs, and other Cabinet Committees as appropriate, will monitor progress on competitiveness issues identified by the National Competitiveness Council and others and consider further actions to improve Ireland's international competitiveness and consider initiatives to make it easier to do business in Ireland. The Cabinet Committee(s) will be supported by relevant Senior Officials Groups and the APJ Monitoring Committee.</p> <p style="text-align: right;">(Department of An Taoiseach, DJEI/Forfás, All Departments)</p>
90	<p>Government will, on a quarterly basis, consider a report on competitiveness prepared via the Cabinet Committee on Economic Recovery and Jobs.</p> <p style="text-align: right;">(DJEI, Cabinet Committee, Government)</p>
91	<p>Undertake a competitiveness benchmarking exercise to determine how Ireland performs in terms of international competitiveness across a range of indicators compared to key competitors including in particular within the eurozone.</p> <p style="text-align: right;">(National Competitiveness Council)</p>
92	<p>Prioritise the competitiveness challenges facing the business sector in Ireland over the medium term, and identify potential policy options as to how these priority policy challenges can be addressed.</p> <p style="text-align: right;">(National Competitiveness Council)</p>

4.2 Improving Cost Competitiveness

Generating sustainable broad based export-led growth is essential to rebuilding our economy. To deliver this growth, Ireland's international competitiveness is of central importance. Following a substantial deterioration in competitiveness during the boom, cost competitiveness indicators suggest an improvement in recent years. Recent reductions in a range of key costs including property, business services and unit labour costs have improved Ireland's performance. However, Irish performance lags that of many of our competitors across a number of metrics. As highlighted by the National Competitiveness Council and as noted in the Medium Term Economic Strategy, further progress is needed in Ireland in areas such as of energy costs, waste costs and legal services costs.

Cost competitiveness needs to be sustainable. Many of the recent reductions in costs are a cyclical response to the recession which can be eroded as economic growth improves. Further structural reform is needed. To safeguard the gains made to date and to deliver on the Government's jobs target, focused efforts to improve Ireland's competitive performance must be sustained.

2014 Priorities

To improve Ireland's competitive performance, the Government's priorities in relation to cost competitiveness in the Action Plan for Jobs 2014 are to:

- Identify any sheltered areas of the economy where competition is restricted and undertake analyses or studies in such areas where appropriate;
- Benchmark the various aspects of Ireland's competitiveness performance;

- Encourage local authorities to continue to exercise restraint in setting commercial rates;
- Help companies to reduce costs through energy and resource efficiencies;
- Establish a waste collection data facility;
- Enact the Legal Services Bill to deliver more efficient, transparent and competitive legal services in Ireland.

2014 Actions

Competition Policy

93	Identify any sheltered areas of the economy where competition is restricted and undertake analyses or studies in such areas where appropriate. (DJEI, Competition Authority)
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Benchmarking

94	Benchmark key business costs and publish a report highlighting areas where Irish enterprise costs are out of line with key competitors. (National Competitiveness Council)
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Commercial Rates

95	Encourage local authorities to continue to exercise restraint in setting commercial rates in 2014 (a reserved function of elected members) and, where possible, reduce rates in advance of a harmonised approach to the setting of commercial rates on a county-wide basis as a result of the new local authority structural arrangements becoming effective post the local elections in 2014. (DECLG, Local Authorities)
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Energy and Resource Efficiency

96	Provide a range of supports to businesses to help them reduce costs through energy and resource efficiency. (SEAI, EPA)
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Waste Management

97	Establish a data collection facility sufficient to facilitate analysis of the effectiveness of the waste management policy and/or competition in the waste sector. (The Competition Authority, DECLG, EPA and other relevant agencies)
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Legal Costs

98	Enact the Legal Services Bill to deliver a more efficient, transparent and competitive legal services in Ireland and reduce costs for the enterprise sector. (D/Justice and Equality)
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4.3 Infrastructure Investment to Underpin Employment Growth

The availability of competitively priced world class infrastructure (energy, telecoms, transport, waste and water) and related services is critical to support enterprise development. Infrastructure quality impacts upon many aspects of a firm's ability to do business – it determines the ease with which goods can be moved and the efficiency of delivering services remotely. The quality of a country's infrastructure also affects the mobility of labour and quality of life. Finally, the stock and quality of infrastructure can affect the attractiveness of the country in the eyes of investors and potential high skilled migrants.

While Ireland has made significant investment in infrastructure in recent years and has improved its ranking in terms of perceptions of quality of overall infrastructure in the Global Competitiveness Report (ranking 37th out of 144 countries in the 2012 – 2013 report)¹², further investment and improvements are required to ensure that our infrastructure can support economic recovery and enterprise growth. According to the National Competitiveness Council's Competitiveness Scorecard 2012, key challenges remain for Ireland in areas such as urban transport and ICT infrastructures.

Broadband

The Government recognises the importance of high speed, quality and reliable broadband to underpin economic growth, delivery of public services and social development. Reliable connectivity to the internet is critically important for business growth and development and is an essential requirement for business that wish to trade online, use cloud computing, adopt innovative technologies and more flexible working patterns.

The National Broadband Plan is a clear expression of the importance of quality broadband to the achievement of Ireland's economic and social objectives. Successful delivery of the National Broadband Plan will ultimately underpin job creation by providing high quality connectivity across the country. This will be delivered through a combination of commercial and State-led investment.

Since the publication of the National Broadband Plan, significant progress has been made in the commercial deployment of high speed broadband services. Telecommunications providers are investing in services and coverage that significantly exceed the targets they committed to when the National Broadband Plan was published. This must be taken as a vote of confidence in the broader economy and also reflects investment focussed policy and regulatory decisions over the last number of years.

In addition to measures already introduced and to the subsequent commercial developments, the ESB (Electronic Communications Networks) Bill 2013 has been published which, when enacted, will enable the ESB to utilise its electricity distribution network to provide high speed telecommunications services in the Irish market. The potential to use ESB's considerable network to deploy fibre will contribute significantly to the commercial deployment of high speed broadband and will be important in terms of meeting the objectives of the National Broadband Plan.

¹² World Economic Forum (2013) The Global Competitiveness Report 2012-13

The Government has committed to intervening in those areas where it is clear that the market will not deliver. Significant progress is being made in defining the scope of this intervention including the launch of a major mapping process to identify the precise areas in which commercial investment will take place over the coming years, and those areas that will not benefit from such investment. These latter areas will be the target for intervention by Government.

The Government has also committed to providing 100Mbps broadband to all second level schools in Ireland. Under this three-year programme, 516 schools have already been connected. In 2014, the final tranche of 272 schools will be connected. Building on this initiative, a series of “switch-on” workshops are planned, which will assist schools in optimising the use of broadband in education. The ESRI is carrying out an evaluation of the impact of using high speed broadband in second level education.

Ireland’s PPP Infrastructure Stimulus Package

In July 2012, the Government announced a €1.4 billion PPP infrastructure stimulus programme. The table below shows indicative Official Journal of the European Union (OJEU) notice and target financial close dates for the €1.4 billion PPP stimulus programme. The construction phase which follows financial close is expected to generate approximately 13,000 jobs.

Sector	Projects	Indicative OJEU Notice Date	Financial Close / Contract Award
Education	Schools Bundle 4 (6 schools)	Completed 5/6/13	Oct 2014
	Schools Bundle 5 (6 schools)	Completed 5/6/13	Mid 2015
	Grangeegorman	Completed 31/10/13	Q1 2015
Health	Primary Care Centres	19/12/13	Q2 2015
Justice	Courts	Q1 2014	Q1 2015
	Garda	Q1/Q2 2014	Mid 2015
Transport	N17/18 Gort Tuam	Completed	Q1 2014
	M11 Gorey Enniscorthy	Completed 29/7/13	Q1 2015
	N25 New Ross By Pass	Completed 22/3/13	Q4 2014

In addition to the €1.4 billion PPP programme, construction work on N11/Newlands Cross and Schools Bundle 3 is well underway and the first of eight schools was recently completed.

NewERA and the Ireland Strategic Investment Fund

It is imperative that Ireland makes best use of its resources with a view to supporting economic growth and employment. The following steps are already being taken to promote more investment in key sectors of the Irish economy:

- i. Establishing the New Economy and Recovery Authority (NewERA) on a statutory basis; and
- ii. Establishing the Ireland Strategic Investment Fund (ISIF).

Legislation to establish the ISIF and put NewERA on a statutory footing is expected to be enacted in 2014 based on Heads of Bill agreed by Government in 2013. Both of these initiatives are expected to make a very significant contribution to the Irish economy in the years to come. In 2011, NewERA was established on an administrative basis to support a commercial investment programme in vital economic infrastructure. NewERA will be established on a statutory basis in 2014. It will continue to be central to the Government's job plans by identifying and advising on opportunities for the commercial investment programme in vital economic infrastructure. In addition it will have a role in the provision of independent advice on all aspects of the business, operations and governance of commercial semi-states under its remit. The National Pensions Reserve Fund's (NPRF) discretionary portfolio is valued at circa €6.8 billion as at 31 December 2013. In 2014, the ISIF will be established with a commercial Ireland-focused investment mandate, absorbing the resources of the NPRF. In anticipation of the NPRF's conversion into the Ireland Strategic Investment Fund, the NPRF has been working to develop a pipeline of potential investments. A number of these have been concluded and as a result, the NPRF now has €1.3 billion invested or committed to areas of strategic importance to the Irish economy including infrastructure, venture capital and long-term financing for SMEs.

Road Management and Intelligent Transport Systems

A single national IT-based road management and utility licencing system will improve efficiency in managing roads. It will standardise the approach and improve efficiency for utilities (including Irish Water) and other licence applicants. The development of a National Intelligent Transport Systems (ITS) Strategy will support public and private sector initiatives through identifying gaps in ITS development and deployment and putting in place a framework to address them; it will improve coordination in delivery of ITS infrastructure in Ireland and it will also strengthen Ireland's capacity in ITS and improve capacity for research and development

2014 Priorities

To optimise infrastructure investment which can underpin employment growth, the Government's priorities in relation to infrastructure in the Action Plan for Jobs 2014 are to:

- Successfully deliver the National Broadband Plan;
- Ensure Delivery of the PPP Infrastructure Stimulus Package;
- Commence roll-out of Ireland's Strategic Investment Fund and NewERA; and
- Enhance transport infrastructure through a road management and utility licencing system and development of a National Intelligent Transport Systems Strategy.

2014 Actions

Delivering the National Broadband Plan

99	Conclude national mapping exercise which will determine where the State intervention is required. Progress State Aids application in respect of proposed intervention and the requisite procurement.	(DCENR)
100	Enact legislation to allow ESB to enter the telecommunications market.	(DCENR)
101	Continue to work with industry and public sector stakeholders to remove barriers and incentivise commercial investment in broadband.	(DCENR)
102	Conclude final phase of 100Mbps schools broadband programme.	(DCENR, DES)

Ireland's PPP Infrastructure Stimulus Package

103	Ensure delivery of the PPP Infrastructure Stimulus Package.	(DPER, NDFA, Department of Finance)
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Ireland Strategic Investment Fund and NewERA

104	Establish the ISIF and NewERA on a statutory basis.	(Department of Finance)
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Road Management and Intelligent Transport Systems (ITS)

105	Prioritise the delivery of a single national IT-based road management and utility licencing system.	(DTTAS, LGMA, NRA, Local Authorities)
106	Develop a National Intelligent Transport Systems Strategy.	(DTTAS)

4.4 Reduced Costs through Smart Regulation

Effective Economic Regulation

Improving the effectiveness of economic regulation is a priority for this Government. The Government recognises that effective regulation is essential for Ireland to be internationally competitive, an attractive place to do business and to ensure an appropriate level of infrastructural investment.

As part of the Action Plan for Jobs 2012, Forfás undertook a study to identify changes in the operation of sectoral regulators that would enhance cost competitiveness and provide an evidence base and input into the effectiveness of economic regulation more generally, as envisaged in the Programme for Government¹³. The sectors examined in the report were energy, telecommunications, transport, waste and water. The review was informed by a wider public consultation exercise carried out by the Department of the Taoiseach. From this, a new Policy Statement on Sectoral Economic Regulation, Regulating for a Better Future, was published in July 2013¹⁴ which aims to provide a clear policy and strategic context in which sectoral Departments can establish and articulate, in legislation, policy direction for sectoral regulation.

The Strategic Framework for Economic Regulation set out in the Statement aims to address the challenge faced by regulated sectors in balancing their diverse and often conflicting objectives to ensure quality services for end users and the efficient delivery of infrastructure investment. The Strategic Framework allows Government to set its national policy objectives and allows relevant sectoral Departments to prioritise and balance both national and sectoral level priorities in a hierarchy of objectives that the sectoral regulator must then implement. This hierarchy of policy/regulatory objectives will be explicitly set out in sectoral legislation to provide greater clarity on how to weight the different policy priorities.

Relevant Departments have been tasked with implementing the actions set out in this Statement which include Ministers introducing legislative changes to provide for:

- The setting of a hierarchy of policy objectives with national level objectives prioritised;
- Policy/mandate reviews on a statutory basis at least every seven years; and
- A performance and accountability framework for regulators and regulated sectors.

Workplace Relations

Promoting and supporting harmonious relationships in the workplace is an important element in achieving lasting economic growth and creating and sustaining jobs. To support this objective we must have efficient and effective mechanisms to develop harmonious and productive workplaces and to assist employers and employees to avoid disputes. Where disputes do arise the parties must be encouraged to work together to resolve them. Where this is not possible and State intervention is necessary, the services must be provided in the most efficient, effective and professional manner, to the highest standards.

¹³ Sectoral Regulation, Forfás, 2013.

¹⁴ Regulating for a Better Future, Policy Statement on Sectoral Economic Regulation, Department of the Taoiseach, July 2013.

Related to this we will continue our modernisation of the industrial relations and workplace relations architecture which has seen major reform in the area of employment permits, JLCs, REAs, agency workers and a reversal of the cut to the minimum wage. The merging and streamlining of our workplace relations bodies will continue and we will meet our PfG commitment in this area in a way that provides clarity and certainty for workers while addressing the important concerns of the enterprise and investment community.

Employment Permits and Visa Applications

To build further on actions already taken through the Action Plan for Jobs 2013 to streamline the Employment Permits system in Ireland, the Department of Jobs, Enterprise and Innovation and the Department of Justice and Equality will investigate the potential for introducing a unified employment permit and visa applications system.

2014 Priorities

To reduce costs through smarter regulation, the Government's priorities in relation to regulation in the Action Plan for Jobs 2014 are to:

- Implement Actions as outlined in the Government Policy Statement on Economic Regulation (including the publication of a new aviation policy and the publication of a green paper on energy);
- Implement specific changes in the area of transport regulation, including the regulation of rail, bus and small public service vehicles and the aviation sector;
- Undertake fundamental reform of our workplace relations framework and structures in order to deliver a worldclass workplace relations service and reduce costs to business; and
- Investigate the potential for introducing a unified employment permit and visa applications system.

2014 Actions

Government Policy Statement on Economic Regulation	
107	Implement actions as outlined in the Government Policy Statement on Economic Regulation published in July 2013. (Law Reform Commission, DCENR, DTTAS, DECLG)
Regulation in the Transport Sector	
108	Implement Sectoral Regulation across modes of transport – rail, bus and small public service vehicles. (DTTAS, RSC, NTA)
109	Review the regulatory framework for airport charges. (DTTAS)

Workplace Relations Reform

110	Rationalise existing services by establishing a single organisation (Workplace Relations Commission) to deal with first instance complaints and disputes and a single appeals body (the Labour Court).	(DJEI)
111	Enhance the effectiveness of the Early Resolution Service in resolving disputes/complaints without recourse to costly adjudication or inspection.	(DJEI)
112	Enhance user experience and reduce compliance costs by technology enhancements and maximising e-business opportunities in the delivery of workplace relations services.	(DJEI)

Employment permits and visa application system

113	Investigate the potential for introducing a unified employment permit and visa applications system.	(DJEI, D/Justice and Equality)
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4.5 Supporting Competitive Regions

The aim of the Action Plan for Jobs is to support enterprises to create employment throughout the whole of the country and in all regions. Successful enterprise development and the creation of an attractive location are interdependent. Regions that support strong and dynamic enterprises are crucial to Ireland's return to overall economic growth. The Government supports local employment development through local government structures and the inputs of various Departments and agencies.

IDA has an ambitious target (50 per cent) for investments in regions outside Dublin and Cork. While further progress was made in this respect in 2013, achieving the target has continued to prove challenging. Continued efforts will be made in 2014 to highlight the attractiveness of regional locations. One of the mechanisms by which we will support enterprise development at regional level in 2014 is by building new property capacity in regional locations to help cater for FDI projects. IDA Ireland will undertake a number of building projects in specific locations where the private sector is unable currently to provide property solutions. In 2014, IDA Ireland will commence building new advanced manufacturing facilities in Waterford and Athlone, and office space in Letterkenny.

Successful enterprise development depends on a well planned spatial environment, which efficiently delivers the appropriate supporting infrastructures (both physical infrastructure and soft supports such as information) to create competitive and attractive locations for foreign and indigenous business investment. The Local Government Reform Bill 2013, when enacted, will provide new powers to establish Local Community Development Committees and Strategic Policy Committees for Economic Development and Enterprise Support within each local authority. The reconfigured Regional Assemblies will be tasked with preparing regional Spatial and Economic Strategies which will ensure the coordination of economic and spatial development across the regions and enable local government to play a stronger role in economic development in general.

Local Authorities will be provided with the tools to deliver their enhanced role in relation to economic and community development. Furthermore, a successor to the National Spatial Strategy 2002 is expected to be in place in 2015 and work will be undertaken in 2014 in preparation for this. To promote economic and community development integrated local economic and community plans will be developed in each local authority area. These will be required to be consistent in the first instance with the existing Regional Planning Guidelines 2010-2022 and local authority development plans, and subsequently with the Regional Spatial and Economic Strategies prepared by the Regional Assemblies in line with the proposed new National Spatial Strategy.

The operational programme for the new EU Rural Development programming period 2014-2020 will be prepared during 2014. This will include the community led Local Development/LEADER element of this programme that will fund initiatives to support the economic development of rural Ireland and address issues including social inclusion and poverty reduction. The LEADER element of the Rural Development Programme will be based on area based local development strategies which in turn will form part of the overall local economic and community planning processes envisaged in the context of supporting economic and community development in each local authority area.

In the context of the recent transformation of relations with Northern Ireland, there is scope for further improvements in economic cooperation between both parts of this island. Significant progress has been made in a number of sectors, such as the all-island energy

market, and a number of North-South bodies exist under the Good Friday and St. Andrew's Agreement, including InterTradeIreland and Tourism Ireland, and there are strong business linkages between North and South. The Government will continue to work with the Northern Ireland Executive, including through the North-South Ministerial Council, to identify opportunities for further cooperation to the mutual benefit of both economies.

2014 Priorities

In the area of regional competitiveness, the Government's priorities in 2014 are to:

- Build new advanced manufacturing facilities and office space in specific regional locations;
- Enhance Regional Economic Planning through a successor to the National Spatial Strategy, development of integrated local economic and community plans and the development of a framework for regional enterprise strategies;
- Develop LEADER elements of the 2014-2020 Rural Development Programme; and
- Continue to work with the Northern Ireland Executive to enhance North-South cooperation and grow the Island economy.

In addition, many actions under the Entrepreneurship Disruptive Reform such as Enterprise Ireland's Competitive Regional Feasibility Funds (see Action 14) will support enterprise development and job growth at regional level.

Build new advanced manufacturing facilities and office space in regional locations.

114	Embark on a programme of building in specific locations where the private sector is not currently providing property solutions. In 2014, IDA Ireland will commence building new advanced manufacturing facilities in Waterford and Athlone, and office space in Letterkenny.
	(IDA Ireland)

Enhance Regional Economic Planning

115	Bring proposals to Government on the development of a successor to the National Spatial Strategy for the purposes of providing an updated national planning framework to inform the new Regional Spatial and Economic Strategies (RSEs) provided for under the Local Government Act, 2014.
	(DECLG)
116	Develop integrated local economic and community plans, to promote economic and community development in each local authority area.
	(DECLG, Local Authorities, Local Community Development Committees)
117	Develop a framework for a Regional Enterprise Strategy to better integrate the efforts of enterprise agencies and the other regional stakeholders in building enterprise based on sustainable competitive advantage of the region.
	(DJEI, EI, IDA)

118	<p>Publish final report of Commission for the Economic Development of Rural Areas (CEDRA) on the medium-term economic development of rural areas for the period to 2025.</p> <p style="text-align: right;">(DECLG)</p>
<p>Develop LEADER elements of the 2014-2020 Rural Development Programme</p>	
119	<p>Develop LEADER elements of the 2014-2020 Rural Development Programme to address Priority 6 of the Union priorities for rural development i.e. promoting social inclusion, poverty reduction and economic development in rural areas.</p> <p style="text-align: right;">(DECLG)</p>
<p>North/South Co-Operation and the Island Economy</p>	
120	<p>Ministers will examine priorities at their sectoral meetings, especially as they affect economic development, job creation and the best use of public funds. This also includes developing synergies on increasing joint draw-down of innovation funding under Horizon 2020 and jointly examining the potential to develop cross border clusters of activity.</p> <p style="text-align: right;">(D/Taoiseach, DFAT, other relevant Departments/agencies)</p>

4.6 Research and Innovation to Drive Job Creation

Having built up a very strong science base in Ireland following a prolonged period of incremental and substantial investment in the area, science, technology and innovation (STI) policy has evolved in recent years and the current strategy is focused on accelerating the economic and societal return on our STI investment, further strengthening enterprise engagement with public research and driving more commercialisation of publicly performed research.

Investment in STI is an essential component of supporting an innovative and enterprising economy. It assists in creating and maintaining high-value jobs and attracts, develops and nurtures business, scientists and talented people ensuring Ireland is connected and respected internationally. The importance of investment in STI to Ireland's on-going and future economic and social development and wellbeing is well recognised by the Government. Investment is based on a two pronged approach. Firstly, investing in people, infrastructure and associated facilities to build the science base and secondly, direct support to the enterprise sector to build their capacity for research and development.

One key initiative to deliver on this strategy is research prioritisation which is being implemented on a cross Government basis since March 2012 when the Research Prioritisation Action Group (PAG) was established. The PAG includes representatives of all research funding agencies and relevant Government Departments covering areas such as health, agriculture, energy, communications, environment and education. Research prioritisation means the majority of competitive public research funding is being aligned with 14 priority areas where we are most likely to get economic and societal returns, particularly in the form of jobs. Relevant horizontal platform technologies and integrating infrastructure are also being supported. The priority areas, which cover food, health, ICT, manufacturing, energy and innovation in business services and processes, were identified on the basis of existing strengths of the public research and enterprise base and opportunities that exist in term of the global marketplace. The PAG is also addressing a range of issues aimed at improving the efficiency and effectiveness of the STI ecosystem as a whole.

To fully support implementation of research prioritisation the mandate of Science Foundation Ireland (SFI) has been expanded by statute to allow it to fund the full continuum of research (applied as well as basic oriented) across all the priority areas. SFI is mandated to invest in research most likely to generate new knowledge, leading edge technologies and competitive enterprises, underpinning the 14 priority areas, based on academic excellence and impact. To improve enterprise engagement in public research, SFI has recently significantly increased the number and range of industry facing programmes that they support. They also play a key role in promoting Ireland's achievements in science around the world and in promoting awareness of science in Ireland, targeting students and parents to ensure a sufficient pipeline of students choosing STEM (Science, Technology, Engineering and Maths) subjects to support scientific research and jobs in relevant sectors of the economy.

Through Enterprise Ireland, the Government provides supports for the commercialisation of academic research and collaboration with industry and has a number of supports to directly assist companies with research and innovation activities that will lead to job creation and increased exports. 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 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 industry.

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 Ireland's capacity to attract increased levels of high-value R&D projects which qualitatively transform and deepen the roots of key multinationals here. In this respect, the R&D tax credit, which plays an important role in encouraging firms to invest in R&D, was comprehensively reviewed in 2013. The Review concluded that the tax credit represents value for money for the taxpayer and is among the best in class internationally.

The Government's Framework for Monitoring Public Investment in Science, Technology and Innovation encompasses all Government Departments and agencies with a research funding budget including sectoral areas such as agriculture, food, marine, health, environment and energy. As well as research directly linked to market opportunities (14 priority areas), the Government continues to support public good and policy-related research in each of these areas recognising them to be integral to a well-functioning science, technology and innovation system. The actions relating to sectoral research included below and in other sections of this Action Plan are key actions that will contribute to enterprise and employment creation in the country.

2014 marks the launch of the next round of European funding for research and innovation through the seven year, €79 billion Horizon 2020 programme (2014 to 2020). Irish enterprises and researchers engaged actively in FP7 (the predecessor to Horizon 2020), securing approximately €100 million per annum in the latter years of the programme. Based on this successful participation, Irish enterprises and researchers are well positioned to use the new programme to support their research and innovation objectives and to collaborate with peers across Europe. Through the National Support Office for Horizon 2020, each of the research funding bodies in Ireland will continue to support Irish enterprises and researchers to maximise the opportunities presented by Horizon 2020.

Irish researchers and enterprises collaborate closely with their counterparts in Northern Ireland, including in respect of participation in EU research programmes. InterTradeIreland plays a role in facilitating these research and innovation collaborations through programmes such as the All Island Innovation Awards and the US-Ireland R&D Partnership, and through its engagement with Science Foundation Ireland and other funders. InterTradeIreland will continue to support such activities in 2014, complementing the actions set out below.

2014 Priorities

Building on these recent developments and opportunities, the Government's priorities in relation to research and innovation in the Action Plan for Jobs 2014 are to:

- Continue to drive implementation of research prioritisation and align publicly performed R&D around the 14 priority areas;
- Increase the level of innovation performed by enterprise;
- Support the commercialisation of publicly performed R&D;
- Increase the level of collaboration between enterprise and academia;
- Support the internationalisation of R&D and innovation;

- Enhance the availability of world class research and STEM skills in Ireland; and
- Develop the enabling infrastructure to translate R&D into improved products and services, both public and private.

2014 Actions

Research Prioritisation

121	Continue to drive implementation of research prioritisation through the Government's Prioritisation Action Group. (DJEI/Forfás, Prioritisation Action Group)
122	Take steps to progress the vision for the Innovation in Services and Business Processes research priority area through the introduction of suitable public research, development and innovation supports. (DJEI/Forfás, Prioritisation Action Group)
123	Address gaps in research capacity identified through the National Prioritisation Exercise Report and build capacity in areas of economic importance to Ireland. (SFI, EI, other relevant research funders)

Commercialisation of Publicly Performed and In-Company R&D

124	Launch the cTTO industry portal incorporating searchable licensing opportunities from Ireland's HEIs in order to increase the visibility of research opportunities to industry. (cTTO/EI)
125	Provide a suite of model agreements and supporting guidance notes for business in order to ease the interaction between industry and HEIs, for inclusion in IP Protocol. (cTTO/EI)
126	Introduce a broader range of knowledge transfer key performance indicators for Ireland's HEI sector. (cTTO/EI)
127	Issue first annual report on knowledge transfer in Ireland as a vehicle to promote research collaboration to industry. (cTTO/EI)
128	Approve support for 90 in-company R&D projects. (EI)
129	Support 825 collaborative research projects between industry and academia. (EI)

130	Devise an implementation plan following recommendations from the technology centre review.	(EI)
131	Drive the establishment of 15 spin-out companies that are of Enterprise Ireland High Potential Start-up (HPSU) quality.	(EI)
132	Develop a new applied disruptive scheme in line with the Danish INNO+ programme to address issues that are important to Irish society.	(SFI)
133	Bring together researchers, innovative companies, technology transfer professionals and investors as part of the “Big Ideas” Showcase, the primary technology commercialisation event in Ireland.	(EI)
134	Commence pilot initiative to source international technologies which can serve as the basis of new start-up companies in Ireland.	(EI)
Research Collaboration between Enterprise and Academia		
135	Fund at least two world leading, large scale research centres in collaboration with industry (minimum 30 per cent co-fund) that will support the creation of employment in areas of economic importance to Ireland.	(SFI)
136	Launch SFI’s Spokes Call and make funding decisions to enable the addition of new industrial and academic partners and projects to SFI research centres, so allowing the centres to expand and develop in line with new priorities and opportunities.	(SFI)
137	Agree and implement framework for branding and marketing of SFI, EI and IDA Ireland research centres to enhance coherence of centres' offering.	(DJEI, SFI, EI, IDA through Technology Ireland)
138	Redevelop the Innovation Partnership scheme to encourage additional smaller collaborative research projects to address identified industry needs.	(EI)
139	Host a research collaboration event with industry and academic researchers in order to increase the levels of research cooperation undertaken to benefit industry.	(EI)

140	Continue working with Enterprise Ireland to identify opportunities for Defence Forces participation in, and support for, technological research in support of Irish companies and research Institutes.	(D/Defence)
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Support for All-Island and International R&D

141	Support enterprises and researchers to engage with the €79 billion EU Horizon 2020 research programme to ensure that the opportunities presented by the programme are maximised.	(EI, SFI, IRC and all research funders through National Support Structure for Horizon 2020)
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142	Develop strategic partnerships with major stakeholders in Northern Ireland.	(SFI)
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143	Strengthen current international strategic partnerships (China, Brazil, India and Japan) and enhance Ireland’s reputation as a location for world class research.	(SFI)
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144	Develop additional collaborations with International funding agencies and societies of repute to allow Irish scientists to advance their careers through internationally renowned programmes which will further demonstrate the high standard of science being funded in Ireland.	(SFI)
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Availability of World Class Research and STEM Skills in Ireland

145	Expand the Irish Research Council's (IRC) Employment Based Programme to provide increased opportunities for MSc and PhD students to undertake a co-educational experience in research and skills development while employed and embedded in a company or public organisation.	(IRC)
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146	Enhance the participation of SMEs and micro-businesses in the IRC Enterprise Partnership Scheme (EPS) and thus cultivate enterprise focused researchers in the formative years of their research careers.	(IRC)
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147	<p>Broaden career opportunities for young graduates and trainees in Ireland by:</p> <p>A) Expanding the SFI Industry Fellowship to ensure the broadening of the pool of researchers strongly positioned to take up employment in industry in Ireland.</p> <p>B) Supporting and developing early career researchers with the greatest potential to become excellent, fully independent research leaders (Starting Investigator Research Grant, Career Development Award, President of Ireland Young Researcher Award) who can attract, retain and develop industry in Ireland.</p>	
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	C) Launching the SFI Advance Fellowship Programme to address the representation and career progression of women in science, engineering and technology (SET) thus stimulating economic growth by enabling a highly trained cohort of researchers to return to the workforce and providing them with opportunities to connect with future industry employers.	(SFI)
148	Recruit key researchers in strategic areas through the SFI Research Professor, President of Ireland Young Researcher Award, and European Research Council support and development programmes to attract, retain and develop industry in key sectors in Ireland.	(SFI)
149	Deliver Smart Futures as a national collaborative government, industry and education framework to raise the awareness of STEM career opportunities for post-primary students in line with the agreed strategy with support and input from the newly established advisory group comprising industrial, professional and academic partners.	(SFI)
Develop the Enabling Infrastructure to Translate R&D into Improved Products and Services, Public and Private		
150	Take steps to progress towards the introduction of a Research Technology Organisation model to support research, development and innovation and to complement the existing eco-system of research centres in Ireland.	(DJEI/Forfás)
151	Establish a European Space Agency incubator to house and support new (start-up) companies to further expand the space sector in Ireland.	(EI)
152	Review Enterprise Ireland's campus incubation strategy to ensure best practice and that industry needs are being met effectively.	(EI)
153	Advance legislation to, inter alia, streamline the ethics approval process for health research not governed by statutory regulation and EU Law.	(D/Health)
154	Take steps to establish Clinical Research Facilities (CRFs) in Dublin, Cork and Galway and provide a collaborative framework to link all CRFs by 2016.	(HRB)
155	Take steps to establish a national biobanking system and support infrastructure by 2016.	(HRB)
156	Develop Irish participation in key global standardisation activities supporting innovation and research.	(NSAI)

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Support medical device innovation and research to reduce lead time to market for new and innovative products by assisting with the introduction of a regulatory quality management system in one innovation centre.

(NSAI, SFI)

Technology Centres Case Study: Industry-led research to drive economic growth

Action 86 of APJ 2013 sets out the plan to establish new Technology Centres in a number of key growth areas. As part of the Technology Centre agenda, the first Technology Centres Expo was hosted jointly by Enterprise Ireland and IDA Ireland in Dublin on 27th November 2013.

There are more than 300 companies in Ireland engaged with 15 Technology Centres. These industry-led research centres of excellence operate at the interface between industry and the academic environment to increase the generation of new, commercially viable knowledge. They currently focus on developing new technologies in the areas of cloud, analytics and learning technologies; manufacturing and materials; energy; food and health and financial services and business processes.

At the event, Richard Bruton T.D. Minister for Jobs, Enterprise and Innovation announced a second term of funding worth €21 million for the functional foods Technology Centre, Food for Health Ireland (FHI). FHI is one of 15 Technology Centres in the €100 million Technology Centre Programme which is supported by the Government through Enterprise Ireland and IDA Ireland.

The Government, through Enterprise Ireland, will invest €16 million in FHI with the remaining €5 million being provided by the companies involved in the research centre: Carbery, Dairygold, Glanbia, the Kerry Group, and the Irish Dairy Board.

Promoting a healthy diet for a healthy life, FHI 'mines' milk to identify novel bioactive ingredients to develop functional foods which will offer health benefits to consumers. FHI is increasing its focus on infant nutrition, healthy cheese, sports drinks, 'healthy aging' drinks and products that can be used to manage Type 2 diabetes and obesity using the €21 million it has received for its second research phase.

4.7 Aligning Skills with Enterprise Needs

A key element of the Government's growth and employment strategy is ensuring that we have the quality and quantity of skills to attract, retain and grow job opportunities and investment. The education and training system is therefore a critical part of our enterprise development and innovation infrastructure. It is also undergoing an unprecedented level of structural reform at all levels. In addition to improving education and training outcomes generally, a key objective of this reform process is to ensure that the system supports young people and adults to acquire the skills enterprise needs now and to prepare them to both take up and to create the jobs and workplaces of tomorrow.

Addressing the unemployment challenge and providing targeted responses to meeting skills needs will continue to be key priorities for the education and training system in 2014. The development of stronger links with employers across all levels of the system is a key element of the reform programme. The development of more systemised engagement between further and higher educational institutions and employers at national, regional and local level is a key objective of the reforms underway. Employer input is critical for the strategic direction and continuing relevance of education and training offerings, the setting of research priorities and the development and maintenance of curricula. Employers can also facilitate work placement and on-the-job learning, enhancing the quality and balance of education and training programmes.

Labour market needs are continuously evolving and gaps and over supply can and do emerge – as the structure of the economy changes. This has been particularly evident in recent years as the impact of the recession has seen huge losses in employment in sectors such as construction and other areas of the economy where employment levels will not return even as the economy recovers. The Department of Education and Skills has funded a number of new targeted skills programmes that support jobseekers to reskill and upskill for areas where sustainable employment opportunities are emerging (Springboard, Momentum, ICT Skills Conversion Programmes). Funding for programmes is made available following open competitive tender processes and the selection criteria is weighted in favour of proposals which reflect partnerships with employers in the design and delivery of programmes including commitments by employers to provide work placements.

In May 2013, the Minister for Education and Skills announced a major reorganisation of the higher education system and a new framework for system governance. The changes are intended to create a more dynamic, responsive and high quality higher education sector with a strong network of outward facing institutions with critical mass and the strengths in research, innovation and teaching to support economic wellbeing. This will help to raise the international profile and performance of Ireland's institutions. One of the core objectives under the new performance framework is meeting Ireland's human capital needs across the spectrum of skills areas, including those identified by the Expert Group on Future Skills Needs and Forfás, through both core funding and specifically targeted initiatives. A set of high level system indicators for 2014-2016 has been published and the Higher Education Authority (HEA) will report to the Minister on the performance of the system in meeting these targets on an annual basis.

Significant changes are underway also in the area of further education and training and in apprenticeship training. The newly established SOLAS and Education and Training Boards (ETBs) will work together, and with other parts of Government and with employers, to ensure that further education and training programmes are more flexible and responsive to meet the needs of jobseekers and industry. The first key step is to develop a strategy for further

education and training in Ireland, building on the 2013 NESC review of provision in this area. This strategy will be presented to the Minister for Education and Skills by SOLAS by the end of March 2014. In addition, the report of an independent Review Group on apprenticeship training with significant employer representation was published in January 2014. The report contains a large number of recommendations for the extension of apprenticeship to new sectors and for modernising the existing apprenticeship system. The Review Group recommends that there be consultation on the implementation of its recommendations and the Department of Education and Skills is engaging with stakeholders.

This is also a period of fundamental reform of education at primary and, particularly, second level. At primary level, curricula are being re-shaped to reflect the priorities of the literacy and numeracy strategy which underlines the importance of building the key skills of literacy and numeracy for all students. The Framework for the Junior Cycle provides for a root and branch reform of Junior Cycle over the period up to 2020. There is a clear underpinning for innovative and entrepreneurial skills in the Framework. Innovation and entrepreneurial skills can be addressed either through the existing subjects or through short courses. The Framework has been welcomed by employer groups who have commented on the need for employees with the capacity to analyse, communicate, be creative, manage information and work with others.

The research, analysis and reports of the Expert Group on Future Skills Needs, funded by the Department of Education and Skills, play a key role in advising on the future skills needs of the economy. Its reports are disseminated directly to education and training providers and provide a valuable input to the development and amendment of course curricula and the provision of programmes for those on the Live Register. The resources available to the EGFSN to promote implementation of its research will be further augmented in 2014.

The Expert Group on Future Skills Needs has identified skills need across a range of sectors including the in the following priority areas:

- High-level ICT skills across all sectors of enterprise;
- Skills for the manufacturing sector;
- Skill to trade internationally including foreign languages and selling; and
- Entrepreneurship skills.

Actions to address these skills needs are set out in this section and also in: the ICT Skills Disruptive Reform; the Winning Abroad Disruptive Reform which includes an action to develop a languages education strategy; and the chapter on Access to Finance which includes an initiative on building financial capability in SMEs.

2014 Priorities

To optimise the alignment of skills with enterprise needs, the Government's priorities in relation to skills in the Action Plan for Jobs 2014 are:

- Funding a number of targeted skills programmes that support jobseekers to reskill and upskill for areas where sustainable employment opportunities are emerging;
- Modernising the apprenticeship system to bring about a greater focus on work-based learning and engagement with employers;
- Implementing the new structures for further education and training to better provide high quality, flexible and responsive education and training programmes;

- Reforming the higher education system to meet future challenges and implementing a new performance framework to drive the changes required across the Higher Education system; and
- Updating the curriculum at secondary level so that school leavers are equipped with core skills and competences of relevance to the world of work.

2014 Actions

Targeted Skills Initiatives

158	Introduce a further iteration of the Momentum programme providing opportunities for approximately 6,000 unemployed persons, with at least 2,000 places ring-fenced for under-25s. (DES, SOLAS)
159	Roll out 2014 call for proposals for the ICT graduate skills conversion and Springboard programmes. The skills areas identified as priority within these calls will include: high level ICT skills; manufacturing sector; foreign languages and selling; International Financial Services and entrepreneurship. (DES, HEA)
160	Promote the call for ICT graduate skills conversion and Springboard programmes to enterprise through Business Representative Groups and through enterprise agencies. (HEA, Enterprise Agencies, Industry Groups)
161	The Expert Group on Future Skills Needs will identify the areas of emerging skills needs so that the appropriate sectors and levels are included in the calls for proposals for targeted funding initiatives. (EGFSN, SOLAS)
162	Launch an initiative to coordinate branding and improve awareness of the range of industry focused skills initiatives available to jobseekers. Brand will encompass Springboard, high level ICT skills conversion courses, Momentum, Skillnets programmes, JobBridge and JobsPlus. (DES, DSP, Enterprise Agencies)
163	Develop and commence delivery of a new national manufacturing supervisory development programme leading to a major award at Level 6 on the NFQ to meet manufacturers' requirements for upskilling operatives for those supervisory roles in the sector. (Skillnets)
164	Promote the available supports and target low-skilled general operatives in the manufacturing sector through the Skills for Work (SFW) programme and wider ETB-delivered basic education programmes. (DES, NALA and the Skills for Work)

165	Skillnets will continue to pursue the development of sector specific training in areas identified as high priority by the EGFSN.	(Skillnets)
166	Undertake preparatory work with a view to implementing the EU Recommendation on Recognition of Non-formal and Informal Learning in consultation with relevant Government Departments and youth sector so that young people's skills development and learning through youth work is recognised in terms of its applicability and transferability to the labour market	(DCYA)
Apprenticeship Review		
167	Consult with stakeholders and develop implementation arrangements for the recommendations of the Apprenticeship Review Group.	(DES)
168	Seek expressions of interest from sectors and industry groups that wish to support and have critical mass to participate early in the commencement of the new apprenticeship model.	(SOLAS, DES)
Further Education and Training Reforms and Development of Further Education and Training Strategy		
169	Complete the transfer of former FÁS training centres to new Education and Training Boards.	(DES)
170	Develop for the first time in 2014 an overall annual Further Education and Training (FET) Plan, providing integrated information on a common basis of the full range of FET provision across the 16 ETB areas. Future annual service plans will be shaped in accordance with the objectives of the FET Strategy.	(SOLAS, DES)
171	Prepare and undertake initial implementation of the Further Education and Training (FET) Strategy which will include initiatives to address the needs of those who wish to enter the labour force as well as the identified skills needs of businesses.	(DES, SOLAS)
Higher Education Reforms		
172	Engagement between HEIs and enterprise in the areas of skills and research will form part of the Strategic Dialogue process conducted by the HEA with HEIs to develop funding compacts for 2014.	(HEA)
173	Publish the 2013 Higher Education System Performance Report.	(DES, HEA)

174	Implement a pilot Post Graduate Programme of Professional Practice to provide opportunity for graduates to acquire cross disciplinary skills in STEM based sectors. (HEA, DES, DJEI, DSP, enterprise agencies, with HEIs and industry)
175	Progress Enactment of Technological University Bill. (DES)
176	Publish a profile of graduate output from core higher education programmes across the spectrum of skills areas. (HEA)

Curriculum Reform to Underpin Innovative and Entrepreneurial Skills

177	Finalise the integrated language curriculum for infants to second class. (DES, NCCA)
178	Finalise specifications for Junior Cycle business studies, Irish and science. (DES, NCCA)
179	Roll out the new Junior Cycle English specification in schools. (DES)
180	Centrally develop short courses (including digital media literacy, programming and coding and Chinese) and make available for use in schools from 2014. (DES, NCCA)

Aligning Education and Training Output with Enterprise and Skills Needs

181	Undertake a full-scale national employer survey of Irish Higher Education outcomes and examine the feasibility of including employers' views on further education and training. (HEA, SOLAS)
182	Develop and roll out a process of deeper engagement with higher education institutions on key areas of future skills needs of enterprise, as identified by the EGFSN with industry in its reports and recommendations. This will ensure enhanced collaboration in creating awareness of the skills and competencies required by enterprise with a view to further enhancing higher education graduate talent. (EGFSN, HEIs)
183	Develop and publish a strategy for enhanced engagement between HEIs and enterprise to include framework of indicators for assessing HEI performance in this area. This strategy will include recommendations to ensure that priority skills needs can be responsively addressed within course provision. (HEA, DES, DJEI/Forfás, with HEIs and industry, enterprise agencies)
184	Undertake a study with industry on the workforce skills and competency requirements for the freight transport/distribution/logistics sector in Ireland up to 2020. (EGFSN)

<p>185</p>	<p>Commence a detailed assessment of the workforce skills and competency requirements for the Hospitality sector in Ireland up to 2020 to ensure there will be the right skill base – quantity, quality and diversity of skills to help drive domestic hospitality sector business and employment growth.</p> <p style="text-align: right;">(EGFSN)</p>
<p>186</p>	<p>Identify the future skills needs and labour market supply and demand trends in the marine/maritime area in the context of Harnessing Our Ocean Wealth - An Integrated Marine Plan for Ireland.</p> <p style="text-align: right;">(EGFSN, DAFM)</p>
<p>187</p>	<p>Review how the ICT Action Plan model could be applied to addressing skills shortages in international languages and selling, manufacturing, hospitality and other sectors.</p> <p style="text-align: right;">(DES and DJEI/Forfás, EGFSN)</p>

Case Study: Skills for Work

Skills for Work (SFW) is a national project funded by the Department of Education & Skills (DES) through the National Workplace Basic Education Training Fund. The aim of SFW is to provide educational opportunities in key competences - literacy, numeracy and IT - to workers who are early school leavers and who have no formal qualifications. Skills for Work courses are designed to meet the needs of the employee and employer. All courses are themed to the specific educational requirements of workers in the various sectors and cover topics which include: Communications, Numeracy /Maths, Customer Care, Industry Knowledge Preparation Course, Food & Nutrition and Health & Safety in the Workplace.

Andersons Ireland (Skills for Work Mid-West Region)

In September 2013, following an announcement on imminent job losses, the Mid-West SFW Regional Co-ordinator contacted Andersons to offer a range of education opportunities to the workers, prioritising those who were to be placed on a “three day week” and those due to be made redundant. The majority of the workers employed were eligible to take part in the SFW programme. Following the distribution of promotional literature 57 workers expressed an interest in availing of education opportunities with 40 workers enrolling immediately.

Skills for Work, with support from the ETB Adult Literacy Service and Adult Education Guidance Service, designed a thematic communication skills course, to raise self-esteem and confidence to face the challenges of seeking work. The core elements of the course included reading, writing, numeracy, ICT, Personal Development, research skills, CV building, job seeking strategies, interview skills and sample aptitude tests. According to one testimonial “It helped me to explain my skills and my qualities in an interview situation, plus having sessions in group form gave me confidence to speak out more with confidence”. Since completing the SFW courses, 2 participants have returned to full time work, with others gaining part-time employment in the retail industry. 28 have returned to full time education with Clare & Limerick ETB (16 people have enrolled in a Health Care Course and 12 people in a Business Study Course).

Small Business (North East Skills for Work Region)

As part of the SFW Programmes and in response to educational needs of SMEs or lone traders a number of “cluster groups” are formed which may consist of individual workers from various employment sectors. Lorraine attended one such SFW “cluster group”.

Lorraine left school at 16 and worked as a hairdresser. 8 years ago Lorraine and a friend set up their own salon. While the business was doing well Lorraine was aware that she lacked basic education and formal qualifications and she lacked confidence when it came to writing business letters, using a computer, promoting her business or dealing with business accounts. She was encouraged by the SFW co-ordinator to return to education after she noticed the promotional literature on display in the salon, and started her first SFW course in 2011. She went on then to achieve FETAC certification in Communications and Numeracy. She now develops her own business letters and business cards as well as sources products and promotes her business on the internet. She also manages the business accounts. Her confidence “knows no bounds” and in September she addressed over 200 people at an ETB Presentation of Certificates on the benefits of the SFW programme. Lorraine is continuing her educational journey and intends to go on to higher education to gain qualifications in teaching hairdressing.

4.8 Supporting Competitiveness through Corporate Social Responsibility

Since the start of the Action Plan for Jobs process, the Government has recognised the valuable role that Corporate Social Responsibility (CSR) can play in contributing to sustainable economic growth. By supporting the training of the next generation of employees and offering work experience - particularly to those who may otherwise struggle to access the labour market - businesses can ensure a pipeline of skills and experience at all levels for the future. Many businesses also play a role in supporting local entrepreneurship and the development of a strong entrepreneurial culture through mentoring, sharing of advice and using local supply chains.

Increasingly, good CSR practices are distinguishing the best companies from their competitors. CSR practices that are embedded as a genuine part of a company's values and operations can help enhance the company's profile and competitiveness.

In the 2013 Action Plan for Jobs, the Government undertook to develop and publish a National Plan on Corporate Social Responsibility, highlighting the role that enterprises can play in supporting employment and local communities.

In 2014, we want to build on our existing relationships with stakeholders in this sphere and develop Ireland as an exemplar of responsible and sustainable business practice, to support the objective of Ireland being consistently recognised as the best small country in which to do business.

Our vision for CSR is that Ireland will be recognised as a Centre of Excellence for responsible and sustainable business practice through the adoption and implementation of best practice in CSR in enterprises and organisations as widely as possible. In particular, we will encourage and support the development by key CSR bodies of a programme of support for CSR development in the SME sector.

2014 Priorities

In 2014, the Government will work with key stakeholders to:

- Increase awareness of CSR, its value to businesses and to society as a whole; and
- Encourage more small and medium-sized enterprises to build CSR capacity.

2014 Actions

188	Establish a CSR Stakeholder Forum to inform further development of the CSR policy framework in Ireland. The Forum will comprise representatives of the business sector, key Government Departments and agencies, and the community sector. (DJEI, relevant Departments/agencies, business representative and community bodies)
189	Conduct a survey to establish an indicative baseline of CSR activity in Ireland. (NSAI, DJEI, Business in the Community Ireland, WIT)

190	<p>Collaborate with key stakeholders to raise awareness of CSR and disseminate best practice, particularly with a view to encouraging greater SME participation in CSR activities.</p> <p style="text-align: right;">(DJEI, Business representative bodies, NSAI)</p>
191	<p>Explore the role which the Government’s enterprise development agencies, such as Enterprise Ireland and IDA Ireland, can play in promoting CSR with client companies.</p> <p style="text-align: right;">(DJEI)</p>
192	<p>Following on from the publication of Ireland’s National Plan on CSR - Good for Business, Good for the Community - prepare a Progress Report for Government on developments in relation to CSR in Ireland.</p> <p style="text-align: right;">(DJEI)</p>

5. Pathways to Work and Related Initiatives

Pathways to Work 2013 and the Youth Guarantee

The Government's Pathways to Work policy is complementary to the Action Plan for Jobs, and is designed to ensure that as many as possible of the new jobs created in the recovering economy go to people on the Live Register. While doing all we can to stimulate the demand for labour, we must simultaneously improve the prospects for jobseekers getting work, and ensure that working always pays, no matter the nature of that work.

Pathways 2013 represents a 50 point action plan built around key strands of activity:

- More on-going and intensive engagement with those who are unemployed;
- Greater targeting of activation places and opportunities for those on the Live Register;
- Removing disincentives for unemployed people to take up employment and other education and training opportunities;
- Incentivising employers to provide more jobs for those who are unemployed; and
- Reforming institutions to deliver better services.

The Department of Social Protection is responsible for reporting to Government on progress against each of these 50 action points on a quarterly basis. Taken together, the 50 actions represent a major reform of welfare services for the unemployed, the public employment service, and their interaction with other public services, most notably in the area of training and vocational education.

One element of Pathways to Work involves planning for the implementation in Ireland of the EU Council Recommendation on a Youth Guarantee. The Department of Social Protection was charged, in cooperation with other Government Departments, with preparation of an implementation plan for the Youth Guarantee. This plan was completed on schedule and forwarded to the European Commission by the end of 2013. The Department of Social Protection now has responsibility for coordinating and reporting on progress towards implementing a Youth Guarantee, not least in the context of reporting to the European Institutions.

Enterprise Engagement in the Context of Pathways to Work

The Department of Social Protection is engaged in an on-going programme of reform to the services it provides to jobseekers. The purpose of these reforms is to ensure that jobseekers receive all of the necessary encouragement and supports that they require to engage with the job market and secure employment.

Business and employers can play a key role in this endeavour by advising and informing the Department of Social Protection of their recruitment plans and requirements, by offering work experience and training opportunities to jobseekers via programmes such as JobBridge and, not least, by offering employment opportunities to unemployed clients of the Department of Social Protection using supports such as JobsPlus. The Department of Social Protection is keenly aware that if employers are to engage fully in this endeavour that the services it provides to employers must work for employers as much as they must work for jobseekers.

Accordingly a key objective is for the Department of Social Protection to strengthen and build its relationships with employers.

Government departments and agencies will continue to work closely to maximise the recruitment of appropriately qualified persons from the Live Register by enterprises in receipt of State support. To this end, a Protocol has been agreed between the Department of Social Protection, the Department of Jobs, Enterprise and Innovation, Forfás, Enterprise Ireland, IDA Ireland, and the County Enterprise Boards (CEBs)/Local Enterprise Offices (LEOs). Specific aims of the protocol are:

- To establish more structured links between enterprise development agencies and the Department of Social Protection;
- To increase the sharing of information between enterprise development agencies and the Department of Social Protection;
- To increase cooperation on awareness and promotion activities;
- To facilitate matching enterprise agency client company needs for existing and new projects with clients from the Live Register;
- To increase engagement on the conversion and training requirements of enterprise;
- To ensure client companies can avail of Intreo placement services, employer incentives and employer support services; and
- To ensure that effective monitoring and reporting arrangements for recruitment from the Live Register are in place.

Housing Assistance Payment

The rollout of the Housing Assistance Payment (i.e. decoupling housing support from social welfare payments) is an essential element in removing barriers to employment and reducing replacement rates. In July 2013, the transfer of responsibility for recipients of rent supplement with an established long term housing need from the Department of Social Protection to local (housing) authorities was approved. Advancing the Housing Assistance Payment in 2014 will help facilitate the removal of existing barriers to employment by allowing Housing Assistance Payment recipients to remain in the scheme if they gain full-time employment.

Local Community Development Programme (LCDP)

The Local Community Development Programme (LCDP) aims to tackle poverty and social exclusion through partnership and constructive engagement between Government, its agencies, and people in disadvantaged communities. Some 14,000 people who are distanced from the labour market will receive direct one-to-one labour market training and supports through the programme in 2014. The programme will aim to support over 6,000 individuals into employment and self-employment, through a range of services and supports.

Groups Experiencing Labour Market Disadvantage

We will undertake targeted actions addressing specific groups that experience labour market disadvantage including groups that may be discriminated against on the basis of age, race,

family status and disability. It is known, for example, that people with disabilities are only half as likely to be in employment as others of working age. The reasons for this are complex, and include level of education and skills, fears around loss of benefits, employer know-how, low expectations, and limited re-entry to work following onset of a disability. Addressing the different obstacles to employment of groups experiencing labour market disadvantage needs a joined-up multi-pronged approach, spanning a number of key Departments and state agencies and also involves building capacity among employers and labour market providers to deal with the challenges involved.

2014 Actions

193	Continue to implement Pathways to Work with quarterly reporting of progress on its 50 action points.	(DSP)
194	Commence implementation of the Youth Guarantee.	(DSP)
195	Develop a new Youth Strategy in 2014 which will, inter alia, review youth funding schemes to ensure that the youth work and non-formal education sector contributes to youth employment and youth employability policy objectives, including skills development and experiential learning opportunities for young people and the provision of valuable volunteer opportunities.	(DCYA)
196	Identify ways in which the youth sector can contribute to the Government's objectives regarding young people and employment and explore the potential to secure EU Funding to support youth work initiatives that increase young people's employability, enhance their acquisition of transversal skills and aid their preparedness and progression to employment and prevent them from becoming registered unemployed.	(DCYA)
197	Facilitate the increased participation in volunteering opportunities by unemployed people in supporting the provision of youth services throughout the country. Such volunteering provides young people and adults with opportunities to develop and derive job relevant skills and competencies.	(DCYA)
198	Promote mobility and learning opportunities in the youth work sector and take up of EU funding mechanisms available such as the new Erasmus+ Programme which aims to boost skills and employability via study, training, work experience and volunteering opportunities abroad.	(DCYA)
199	Undertake a programme of structured engagement with the enterprise sector to maximise recruitment from the Live Register.	(DSP)

200	<p>Implement the detailed actions contained in the new protocol to maximise the recruitment of appropriately qualified persons from the Live Register by enterprise agency client companies and report regularly through the dedicated Steering Group established under the protocol.</p> <p style="text-align: right;">(DSP, DJEI, IDA, EI, LEOs)</p>
201	<p>Advance the introduction of a new Housing Assistance Payment which will allow recipients to remain in the scheme in the early stages of returning to employment.</p> <p style="text-align: right;">(DECLG, DSP, Limerick and Other Local Authorities)</p>
202	<p>Through the Local and Community Development Programme (LCDP), continue to work towards increasing access to formal and informal educational, recreational and cultural activities and resources; increasing people’s work readiness and employment prospects; and supporting enterprise start-ups.</p> <p style="text-align: right;">(DECLG, Pobal, Local Development Companies)</p>
203	<p>Publish a comprehensive employment strategy for people with disabilities.</p> <p style="text-align: right;">(National Disability Authority, D/Justice and Equality)</p>
204	<p>Run a programme of activities to promote the employability of groups that have experienced labour market disadvantage related to discriminatory grounds (e.g. age, race, family status, disability etc.). This will include specific streams for developing the equality capacity of employers, vocational education and training providers and labour market providers.</p> <p style="text-align: right;">(Equality Authority)</p>

6. Access to Finance for Micro, Small and Medium Enterprises

The Government recognises that SMEs are the lifeblood of our economy and play a crucial role in employment growth in our country. Evidence shows a stable and appropriate supply of credit promotes growth, encourages start-ups and enables incumbent firms to grow by exploiting trade and investment opportunities. It also brings benefits to the economy by accelerating growth, intensifying competition and boosting demand for labour and jobs.

APJ 2013 identified the clear ambition of making access to finance a central feature of Government recovery and growth plans. The activities of the SME State Bodies Group¹⁵ and the participating Agencies and Departments have worked to achieve this goal. During 2013, a number of initiatives were rolled out in key areas such as: extending the remit of the Credit Review Office; issuing the first call for proposals under the Seed and Venture Capital Scheme 2013 – 2018; increased engagement with the European Investment Bank and European Investment Fund; State involvement in new Development Capital Funds for Irish SMEs; an examination of how companies can be supported to scale by way of IPO which resulted in the Budget decision to remove the stamp duties charge on shares listed on the Enterprise Securities Market (ESM); and the transposition of the Late Payments Directive.

This focus must be maintained if we are to continue to deliver meaningful change in this vital area. APJ 2014 will build on the vision set out in APJ 2013 of an Irish economy in which all viable businesses will have an opportunity to access sufficient finance to meet their enterprise needs in a manner which supports growth and jobs. This vision is further reflected in the Medium Term Economic Strategy which states the ambition of developing a more diversified, competitive and responsive financial infrastructure that can finance SME growth as we move into a new phase of economic recovery and growth. Achieving this ambition will both contribute to the emergence of a more stable financial system and enable SMEs to reach scale.

Through the SME State Bodies Group, which reports to the Cabinet Committee on Mortgage Arrears and Credit Availability, a strong focus will be retained in 2014 on implementation, policy innovation, monitoring and learning, and active engagement with a diverse range of public and private actors. In particular, there will be a strong emphasis on broadening the range of bank and non-bank finance mechanisms available to SMEs. Additionally, the Group will work to ensure a strengthening of the linkages between SME capability building, advice and access to finance.

In 2014, the SME Funding Consultation Committee¹⁶ forum will also engage with key issues associated with SME funding and financing through the implementation of a formal work programme that will focus on raising awareness and usage of Government initiatives to support SMEs in accessing finance; SME refinancing and improving relationship banking.

¹⁵ The SME State Bodies Group is chaired by the Department of Finance and comprises senior officials from the Department of Finance, the Department of the Taoiseach, the Department of Jobs, Enterprise and Innovation, Department of Education and Skills, the Department of Agriculture, Food and the Marine, Forfás, Enterprise Ireland, the NPRF, the Central Bank of Ireland, the Credit Review Office and Fáilte Ireland.

¹⁶ The SME Funding Consultation Committee is comprised of members of the SME State Bodies Group, the three main business lending banks, various business representative organisations and other stakeholders from private industry.

Delivering on this ambition will continue to involve all the relevant stakeholders in developing a competitive and diversified financing environment that meets the needs of an Irish economy built upon a vibrant domestic SME sector, a strong export sector, enterprise growth and innovation.

2014 Priorities

To further improve access to finance for micro, small and medium enterprises in Ireland, our focus in 2014 will be to:

- Increase new lending to SMEs, drawing on both bank and non-bank sources of funding;
- Increase participation in Government sponsored access to finance schemes for SMEs such as the Microenterprise Loan Fund, the Credit Guarantee Scheme, the Seed and Venture Capital Scheme, Seed Capital Scheme (SCS), Employment and Investment Incentive Scheme (EIS), the NPRF SME Funds and the Credit Review Office;
- Develop new sources of finance for SMEs;
- Raise the level of awareness amongst SMEs and entrepreneurs of the full suite of developmental business supports available through a comprehensive communications strategy involving the widest possible range of stakeholders; harness the full potential of the soon to be established Local Enterprise Offices¹⁷ as the key conduit for providing advice, information and guidance to SMEs on access to finance issues including available state sponsored supports;
- Enhance the financial capability of SMEs; and
- Enhance research and policy evaluation on access to finance for SMEs and the potential for innovative sources of finance.

6.1 Increase New Lending to SMEs

Bank Lending

From 2011 to 2013 both AIB and Bank of Ireland had sanctioned lending targets set by Government under the recapitalisation commitments of 2011. Both banks had targets in 2013 of €4 billion each, compared with €3bn in 2011 and €3.5bn in 2012. The imposition of SME lending targets were a key policy intervention not only in addressing the perception that banks were not lending but also in ensuring that the banks produced monthly progress reports which included lending values disaggregated by sector and region, as well as drawdown data and balance sheet volumes. From a policy perspective, the imperative in 2014 is to ensure that economic recovery is not constrained by a lack of credit from the relevant banking institutions. Appropriate policy responses to action this objective will be developed and implemented in the context of the SME State Bodies Group during 2014.

Having completed a process of deleveraging both AIB and Bank of Ireland are now concentrating on growing their balance sheets. In this context both banks recognise the need to increase business lending in the period up to 2016, including lending to the SME sector. Although the targets were a useful policy intervention the focus now needs to shift towards

¹⁷ The City and County Enterprise Boards are to be reconfigured as Local Enterprise Offices in Q2 2014.

the collation and examination, on a monthly basis, of more granular data from both the AIB and Bank of Ireland and the wider banking sector. This will facilitate the State Bodies Group and the Credit Review Office in monitoring progress against agreed annual SME lending plans and in particular ensuring that new lending to SMEs continues to increase as a percentage of total sanctioned lending.

The results of the Department of Finance SME Credit Demand Survey (April to September 2013) suggest that new lending to growing companies should constitute a significant proportion of SME loans, which in turn will contribute to an upward trend in job creation. The importance of banks rolling over and renewing credit should be recognised also as without these measures many SMEs would cease trading. There is an important role for the Credit Review Office in offering a review mechanism for SMEs that have been refused credit. Importantly the Credit Review Office also examines cases where borrowers feel that the terms and conditions of their existing loan, or a new loan offer, are unfairly onerous or have been unreasonably charged to their detriment. The Government's decision to increase the threshold by which SMEs can appeal refusals to the Credit Review Office from €500,000 to €3 million in Budget 2014 will facilitate requests from a broader range of SMEs in this respect. To ensure capacity would be available for an expected increase in the number and complexity of cases, especially as economic activity picks up the number of reviewers was increased from six to twelve.

The Medium Term Economic Strategy recognises the importance of fostering an environment for increased competition in the retail banking sector to address the fact that the global financial crisis has resulted in foreign banks, either scaling back lending activities or exiting the Irish market entirely to focus on their home markets. This context also serves however to reaffirm the importance of Government's strategy of broadening the range of bank and non-bank finance mechanisms available to SMEs in Ireland. The full implementation, in a co-ordinated manner, of the SME State Bodies Group's action plan, as outlined in this chapter, will contribute to achieving this overarching policy objective. Additionally, the work of the SME Funding Consultation Committee will also focus on ensuring that viable SMEs can access finance, including further moves designed to enhance relationships between the SME sector and the banking institutions.

Debt Restructuring and Resolution

For a significant number of viable smaller and medium-sized enterprises the capacity to access financing is constrained by debt overhang, particularly in relation to property exposures. Restoring confidence and unlocking the demand for the finance that is required to invest in growth necessitates a coordinated and focused strategy for facilitating debt restructuring. The Central Bank's process of assessing financial institutions in their efforts to move distressed SME borrowers onto longer-term sustainable solutions is an important element in assisting SMEs to potentially transition from a distressed to a more sustainable state and will continue in 2014. Additionally, the Government's decision to fast track legislation to allow small companies (as defined by the Companies Acts) to apply to the Circuit Court for examinership, the Irish Banking Federation's new Protocol on Multi-Banked SME debt and the on-going work of the expanded Credit Review Office are all initiatives that will assist viable SMEs in addressing their debt situation.

It is recognised that it will take time not only to fully implement some of the recent developments outlined above but also for the various stakeholders to gain experience of how to maximise their full potential in practice. Notwithstanding this point, there is a need from

the outset to monitor the progress of the various initiatives and to facilitate the exchange of the learnings and experience from the developments that are taking place within both the corporate and personal insolvency regimes.

Increase New Lending from Banks to SMEs	
205	<p>Detailed data from the pillar banks will be collated and examined, on a monthly basis, ensuring a more informed understanding of the SME bank lending environment, with a particular focus on new lending.</p> <p style="text-align: right;">(D/Finance, Credit Review Office)</p>
206	<p>Survey the demand for SME credit.</p> <p style="text-align: right;">(D/Finance)</p>
207	<p>Expand the activities and reach of the Credit Review Office in supporting SMEs to access finance, including an enhanced role in supporting the delivery of state sponsored schemes.</p> <p style="text-align: right;">(Credit Review Office, D/Finance, DJEI)</p>

6.2 Increase Participation in Access to Finance Initiatives for SMEs

The Government has introduced a range of schemes to support the provision of funding to SME. In 2014, we will take actions to increase participation in Government sponsored schemes such as the Microenterprise Loan Fund, the Credit Guarantee Scheme, the Seed and Venture Capital Scheme and the NPRF SME Funds.

- **Credit Guarantee Scheme:** The Credit Guarantee Scheme was introduced in October 2012 to facilitate the provision of additional bank lending to eligible SMEs by providing a 75 per cent State guarantee to banks against losses on qualifying loans. Take-up of the Scheme by SMEs has not been as high as anticipated, and consequently the Minister for Jobs, Enterprise and Innovation commissioned an independent review of the Scheme, which was submitted to the Minister in Q3 2013. In 2014 the Minister will deliver a revised Credit Guarantee Scheme and implement the review recommendations, as appropriate, with a view to enhancing the up-take and impact of the Scheme. This will include identifying how the Credit Review Office can contribute to increased participation in this scheme.
- **Microenterprise Loan Fund:** Microfinance Ireland was established in October 2012 to provide loans from the Microenterprise Loan Fund of up to €25,000 to microenterprises that have been refused bank credit. Take-up to date has not been as high as was originally anticipated and the Minister for Jobs, Enterprise and Innovation is committed to commencing a review of the operation of the Microenterprise Loan Fund Act 2012 by July 2014. The Minister will take action, as appropriate, as a result of this review to enhance the take-up and impact of the Fund. It is envisaged that this will include an enhanced role for the Credit Review Office in supporting the delivery of this Fund.
- **Seed and Venture Capital:** The Government has been active in the Seed and Venture Capital (SVC) arena since the early 1990's. On 31 May 2013 the Minister for Jobs,

Enterprise and Innovation launched the first call for expressions of interest under the new €175 million SVC Scheme 2013-2018 aimed at providing additional funding, through Enterprise Ireland, for venture capital funds to invest in high growth firms with the potential to generate large amounts of additional export sales and grow jobs in fast-growing sectors, such as the ICT and Life Sciences sectors. This first call saw €99.5 million committed by Enterprise Ireland. Further expressions of interest will be issued over the next 2 years and in Q1 2014 Enterprise Ireland will initiate a consultative process to assist in its evaluation of what further sectors should be assisted with the remaining funds.

- **Development Capital Scheme:** Enterprise Ireland is progressing the Government's Development Capital Scheme and completed its third commitment and first public announcement, the MML Ireland Fund, a new €125 million fund, managed by MML Growth Capital Partners. The MML Ireland fund will focus on investing in Irish SMEs and Enterprise Ireland has made a €25million commitment, under the Development Capital Scheme, to the first and final close of the fund. Two further announcements will follow in the near term. Enterprise Ireland also continues to jointly work with the NPRF to implement the Innovation Fund Ireland strategy.
- **NPRF SME Funds:** In 2013, the National Pensions Reserve Fund (NPRF) launched a suite of three new long-term funds totalling €850m which will provide equity, credit and restructuring / recovery investment for Irish SMEs and mid-sized corporates. The NPRF and the fund partners are continuing to work on sourcing opportunities to make commercial investments in the SME sector, while waiting for the legislation required to formally create the Irish Strategic Investment Fund (ISIF) and enable further investment.

Increase Participation in Government Sponsored Access to Finance Initiatives for SMEs	
208	Enhance the take-up and impact of the Credit Guarantee Scheme on foot of the 2013 review of the Scheme by implementing the appropriate recommendations. (DJEI, Credit Review Office, EI, D/Finance)
209	Improve the take-up and impact of the Microenterprise Loan Fund through closer engagement with the SME lending banks and business representatives and implementing appropriate recommendations from the review of the scheme. (DJEI, MFI, Credit Review Office, D/Finance, SME Lending Banks)
210	Enterprise Ireland will issue a consultation exercise to inform the sectoral and development stage focus of future calls for expressions of interest under the Seed and Venture Capital Scheme 2013-2018. (Enterprise Ireland)
211	Monitor and review the progress of the NPRF SME Funds in providing finance to SMEs. Furthermore in the context of the ISIF's investment strategy additional commercial opportunities within the SME sector will continue to be developed as appropriate. (NPRF)

6.3 Develop New Sources of Finance for SMEs

Throughout 2014, work will be undertaken which will try to develop new sources of finance for SMEs. A range of different avenues will be explored in this respect, including:

- **Multilateral Development and National Development Banks:** The Department of Finance and the Department of Jobs, Enterprise and Innovation with Enterprise Ireland and the NPRF are actively engaging with the European Investment Bank (EIB) and the European Investment Fund (EIF) to determine how their assistance can continue to be leveraged to the maximum benefit of the Irish economy. Developments such as the loans between the EIB and AIB to provide funding to SMEs and for small to medium renewable energy projects in Ireland will provide an additional €200 million of finance for innovative Irish companies. The EIF has also made significant commitments to Funds and co-invested with Enterprise Ireland under a number of schemes focused on increasing access to finance for Irish SME. The Department of Finance and the NPRF have also begun working with KfW and the German Finance Ministry to investigate ways to improve funding mechanisms for SMEs.
- **Working Capital for Exporters:** There is a real concern that existing constraints on export-orientated firms accessing working capital and competitive bonding facilities could become more acute as demand for credit increases. This highlights the need to ensure that Irish SMEs are not hindered in taking advantage of improvements in the international economy by a lack of access to the types of trade finance and working capital for exporters products that are well established in competitor countries and backed by their respective Governments. Government Departments and their agencies are examining the potential for policy development in this area and as indicated in Budget 2014 a key element of the State's engagement with the EIB in 2014 will be to seek to develop an appropriate initiative to provide a suite of customised financial products and services with EIB backing that support the continued growth of Ireland's export sector.
- **European Long-Term Investment Funds (ELTIF):** In 2014 the Department of Finance and the Department of Jobs, Enterprise and Innovation will continue to advocate for EU measures to facilitate the further development of specialist markets that aim to cater for the needs of smaller and medium sized issuers and to optimise EU instruments in facilitating access to finance for SMEs. The proposed European Long Term Investment Funds, in particular, if well designed and implemented, could act as an effective mechanism for pooling institutional and retail investment and channelling it to "alternative investment" asset classes that fall outside the traditional definition of listed shares and bonds for example unlisted companies.
- **Horizon 2020:** Horizon 2020 is the European Union's new €79 billion programme for research and innovation to create new growth and jobs in Europe. Ireland has adopted a new strategy to ensure strong participation by Irish researchers and companies in Horizon 2020, with an ambitious target of winning €1.25 billion over the 7 year programme period (2014-2020). There is a special SME financial risk-sharing instrument within this programme to support innovative smaller companies.
- **Alternative Financing:** Research from other countries highlights the potential to considerably scale up the volume of alternative lending instruments such as peer to peer lending and crowd funding lending to SMEs using alternative finance activities. These alternative financing activities can be a valuable source of funding to micro and small

businesses either as a complement to traditional bank funding or as an alternative to this funding channel in instances where the application for bank credit has been refused.

- **Private Placement and Retail Mini Bonds:** Unlike the US, the private placement market in Europe is less well developed and robust. There has, in a number of countries, been a growing focus on this market as a source of funding in particular for middle capitalisations (mid-caps). Drawing on successful bespoke private placement markets that already exist, e.g. the German *Schuldscheindarlehen* market, there is an opportunity for Ireland to take the initiative within Europe and explore the feasibility of developing a framework for a private placement regime that will develop direct funding sources to SMEs and mid-caps. Similarly there is considerable potential to draw on recent experience in other EU Member States and create a more diversified funding environment for Irish SMEs by seeking to connect retail investors to productive investment through the development of a retail “mini-bond” market. We will work closely with the Irish Stock Exchange building on previous engagements to make this a viable funding source for Irish based enterprises.
- **Supply Chain Finance:** Supply Chain Finance, which has been growing in operation, gives the opportunity for SMEs to bridge the gap by using credit or indeed true sales of invoices to maintain adequate cash flow. The State Bodies Group has seen the details of potential supply chain initiatives at the SME Policy day that was held in November 2013 and will continue to promote this mechanism for financing businesses.

Develop New Sources of Finance for SMEs	
212	Work with KfW and the German Ministry of Finance to develop an initiative that will improve funding mechanisms for SMEs. (D/Finance, NPRF)
213	Increase our engagement with the EIB and EIF in developing and implementing mechanisms designed to maximise the provision of financing to SMEs. (D/Finance, DJEI, EI)
214	Develop an initiative that will provide a suite of working capital products for exporters. (D/Finance, DJEI, EI, NPRF)
215	Continue to engage at EU level to ensure that the European Long Term Investment Funds are designed in law so that they can have the greatest potential benefit in terms of channelling productive investment to Irish enterprises. (D/Finance)
216	Implement the Government’s strategy for the EU’s Horizon 2020 programme in a manner that maximises the potential of the Access to Risk Finance element of this EU Programme, as a vehicle for providing finance to SMEs. (EI, DJEI, D/Finance)

217	Develop proposals to support the development of alternatives to bank financing within Ireland. (D/Finance, DJEI, EI, NPRF)
218	Explore the feasibility of developing a framework for a private placement market for Ireland. (D/Finance)
219	Work with the Irish Stock Exchange to establish a retail mini bonds market for Ireland. (D/Finance, DJEI, EI, NPRF)
220	Advance solutions to improve cash-flow to SMEs, using appropriate supply-chain finance initiatives. (D/Finance, NPRF, SME State Bodies Group)

6.4 Raising awareness amongst SMEs and entrepreneurs of supports

Despite work in 2013, the latest Department of Finance SME Credit Demand Survey (for April to September 2013) reveals a low level of awareness of both specific individual schemes – the Microenterprise Loan Fund and the Credit Guarantee Scheme – and also State funded supports in general. These results highlighted the need for more action to raise awareness and in particular reaffirms the need to fully deliver the comprehensive and integrated Communication Strategy that was designed by SME State Bodies Group in Q3 2013. Several of the key initiatives that have been proposed within the strategy are outlined below:

- Deliver a cross-governmental campaign to launch the SME Access to Finance online-tool;
- Deliver a regional roadshow presence at key sectoral events and our own events;
- Working with other agencies, develop a audience-focused information material and
- Establish and participate in training opportunities regarding Access to Finance.

The new Local Enterprise Offices (LEOs) will be formally established in 2014. The first-stop shop service will be delivered through a network of 31 LEOs across the country. One of the key roles will be to facilitate micro and small businesses access to finance, through the LEOs' package of financial and other supports (such as those that improve the financial capabilities and awareness of micro and small businesses). The LEOs will continue the work of the City and County Enterprise Boards as the primary source of access to the Microenterprise Loan Fund. The LEOs will provide both links to other finance providers and also advice on a range of Government services such as Revenue, the Credit Review Office and the Companies Registration Office.

Raise the Level of Awareness amongst SMEs and Entrepreneurs on the Full Suite of Government Supports

221	Implement the Communications Strategy developed by the SME State Bodies Group. (D/Finance, DJEI, D/Taoiseach, EI)
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6.5 Enhance the Financial Capacity of SMEs

As part of its action plan for 2013 the SME State Bodies Group examined the practical steps that could be taken in the short and medium term by the State to improve the financial capacity within micro and small enterprises. As a result of this work the Government announced in Budget 2014 a new State subsidised training initiative aimed at enhancing the skillsets of SMEs to improve their financial capabilities. The 'Building Financial Capacity' initiative will operate as part of the Skillnets' Management Works programme. This programme of financial capacity building will assist micro and small businesses to develop enhanced business plans, to better mine financial information in a manner that supports their business objectives and to put together more robust credit applications to lenders. The programme, consisting of 2 days dedicated offsite training together with expert mentoring support, will launch on a pilot basis early in 2014. In addition to this specialised programme the City and County Enterprise Boards (to be formally established as Local Enterprise Offices in 2014) and Enterprise Ireland will also continue to work on building client capacity development throughout 2014.

Enhance the Financial Capacity of SMEs

222	Deliver the Building Financial Capability in SMEs programme by Skillnets and undertake an evaluation of this initiative. (DES, DJEI, D/Finance)
223	Develop a financial capability programme for micro and small businesses through the LEOs network. (DJEI, LEOs, IBF, EI, Accountancy Bodies)

6.6 Enhance Research on SME Access to Finance

It is important that the policy deliberations of the SME State Bodies Group continue to be informed by up to date and policy relevant research on SME access to finance issues. In this regard the Group will oversee a focused research programme that will explore in particular the issues of:

- SME credit demand during a recovery; and
- Policy solutions for SME financing in a recovery.

Similarly the Group will continue to innovate and learn from international good practice with regards to the general theme of SME access to finance including how other jurisdictions have sought to address issues such as developing innovative funding sources and debt restructuring.

The Group will also continue to interact with the wider business community through the SME Funding Consultation Committee.

Enhance Research on SME Access to Finance

224

Oversee a focused research programme on SME access to finance issues that will inform the on-going deliberations and policy actions of the Group during 2014.

(D/Finance, DJEI/Forfás, EI, NPRF, SME State Bodies Group)

Case study: Microfinance Ireland - Pedalling a great day out around the city

For any company, getting off the ground can be a bit like learning to ride a bike. But for Pedi Bus Dublin, the comparison is particularly apt. An early wobble temporarily put it out of business. However, a €5,000 loan from Microfinance Ireland has since enabled it to re-launch on steady footing.

For founder Greg Fahy, the idea of providing groups with a pedal-powered means to see the sites of Dublin came while he was enjoying a trip on board one of Berlin's Beer Bikes during a stag weekend in the German city. Back at home, Greg, a builder by trade, built his own Pedi Bus from car and bicycle parts. However, his initial business ran afoul of Irish law, forbidding alcohol consumption in public places.

Back at the drawing board, Greg re-engineered the Pedi Bus as an alcohol-free zone. His vehicle, which at this stage had been off the road for some time, needed refurbishment, and he required additional finance for other re-launch costs, including marketing and a new website. Having previously been turned down by his bank for his original loan application, he looked elsewhere. Greg approached Microfinance Ireland directly, rather than through a local enterprise board. "They were really helpful; the process was straight-forward," he says. Within three weeks of having submitted his application form and business plan, he received a provisional 'yes' decision, subject to having an agreement in place with an insurer. A lengthy trawl led to a helpful broker in the Netherlands, who eventually tracked down a willing insurer in Luxembourg. With this obstacle overcome, he signed an agreement with Microfinance Ireland for a €5,000 loan, repayable by equal monthly instalments over three years at an annual interest rate of 8.8 per cent.

Greg was also eligible for support through the Back to Work Enterprise Allowance (BTWEA) scheme, which encourages people getting certain social welfare payments to become self-employed. This has enabled him to keep a percentage of his social welfare payments for up to two years, which, he says, has smoothed the transition to becoming a business owner.

Greg is currently employed full-time in the business, and a second person works for Pedi Bus Dublin on a part-time basis.

"Groups of up to 16 hire the bike, supplied with an experienced driver. It's a fun way of sight-seeing, or doing a pub and restaurant tour of Dublin. It also provides a wacky way for a group of friends to celebrate or a welcome alternative for employees to the usual, boring corporate team building exercises," he explains. Additional revenue is generated by selling advertising space on the eye-catching vehicle exterior.

Greg is currently building a second Pedi Bus, which he expects to have on the road in February 2014. Over the coming year, he plans to step up promotion to the American tourist market, and, as to the future, he is certainly upbeat. "The plan is to grow to four bikes in Dublin and to launch in Galway, Belfast and the UK," he says.

"I am really grateful that Microfinance Ireland took the risk and stuck their necks out for me," he says. "If they had said no, I wouldn't have given up; it's not in my nature. But getting the loan meant that I could restart the business straightaway."

7. Growing Irish Enterprise

7.1 Capability Building in Irish Enterprise

Irish-owned exporting companies, supported by Enterprise Ireland and other sectoral agencies, are significant job creators and their success in recent years provides a platform for future economic growth and the creation of sustainable employment throughout the country. Enterprise Ireland supported companies created more than 18,000 gross new jobs in 2013, resulting in a net increase of almost 5,500 in the Enterprise Ireland client base, bringing total employment to over 175,000 (with full-time employment of almost 150,000). The employment growth in these companies is directly linked to their ability to grow sales and exports. Exports in Enterprise Ireland supported companies reached a new high of €16.2 billion in 2012 and it is expected that the 2013 outcome will show a further increase.

The ability of these companies to grow their sales, exports and employment is based on a significant programme of capability building within these companies. In addition to actions set out elsewhere in this Action Plan, this programme of capability building provides support for scaling, management development, mentoring and cluster development within Irish-owned companies as well as strengthening the capacity of Irish-owned firms to benefit from linkages with the multinational enterprise base in Ireland. This programme of capability building will be taken forward from 2014 onwards in the context of Enterprise Ireland's strategy for the period 2014-2016 which is currently being finalised. Ireland has had a number of global successes across a number of sectors including food, software, life sciences, and engineering. The development of the new Enterprise Ireland strategy provides an opportunity to tailor supports and programmes to further support Irish companies to innovate, develop their management teams, scale and emerge as international leaders.

Enterprise Ireland will continue to offer a broad range of short and long management capability programmes, specifically designed to address the needs of its clients at different stages of growth and to build relevant capability across all aspects of their businesses. It will continue to support companies through their management teams to innovate and to grow their businesses internationally. There will be a focus on engaging with family businesses and on ensuring companies have access to knowledge and information about growth strategies (including, for example, the use of an Initial Public Offering as part of a growth strategy). The feasibility of delivering management development programmes through new delivery mechanisms will be explored with the objective of delivering the offering to a greater number of companies.

ManagementWorks, an initiative of Skillnets, offers a suite of programmes designed to improve the management capability of SMEs, complementing the initiatives that Enterprise Ireland undertakes with its client companies. Small groups of SME owner managers are brought together to engage in targeted management training and are then supported by one-to-one mentoring to ensure that the learning can be applied in the specific context of each business. The programmes are resulting in small firms developing their capabilities for protecting and growing employment. The programme, first piloted under the Action Plan for Jobs 2012, will be rolled out to an increased number of firms in 2014.

A review of business mentoring services in Ireland, undertaken by Forfás in 2013, has highlighted the need to expand and enhance Ireland's business mentoring services both for start-ups and SMEs by engaging with a broader range of companies and enhancing

professionalism in service provision. Issues from this review will be addressed in 2014 including in the context of the new Local Enterprise Offices (as set out under the Entrepreneurship Disruptive Reform above). A group will be established to address issues raised in the Forfás review including issues around raising professionalism, expanding the mentor panel, innovative approaches to mentoring and monitoring of impact. The group will be made up of representatives from Enterprise Ireland, Local Enterprise Offices, Skillnets, the Department of Jobs, Enterprise and Innovation and other stakeholders as appropriate.

Strengthening the connections between Irish-owned firms and the foreign-owned base of companies in Ireland provides another mechanism for scaling and capability building. Working with Irish-owned firms to connect into global supply networks helps to strengthen their capabilities, reputation and visibility on international markets. Enterprise Ireland and IDA Ireland have established a senior management team to drive collaboration on key priorities including maximising of procurement opportunities for Irish business through a Global Sourcing initiative. The two agencies will also collaborate in a number of sectoral initiatives focused on maximising job creation in the economy.

To continue to build capability and scale in the Irish-owned enterprise base, we will:

- Commence implementation of the Enterprise Ireland Strategy 2014-2016;
- Deliver management development programmes and clustering initiatives to support the scaling of Irish-owned enterprises;
- Enhance and increase provision of mentoring services to Irish companies, including in the context of the rollout of Local Enterprise Offices;
- Maximise the linkages between Enterprise Ireland and IDA Ireland client companies through a Global Sourcing initiative and other inter-agency collaborations.

2014 Actions

Commence the implementation of the Enterprise Ireland strategy 2014-2016	
225	Target the creation of 13,000 new fulltime permanent jobs. (EI)
226	Support clients to achieve €17.5bn in exports in 2014 ¹⁸ . (EI)
Mentoring Services to Small Firms	
227	Convene a working group to drive coordinated execution of the 2013 review of Business Mentoring Services. (DJEI)

¹⁸ Target of €17.5bn may be revised subject to Annual Business Review results. 2012 baseline is €16.2bn. 2013 figures will be available in Q2.

228	Implement Mentoring Programmes for the benefit of more than 300 Enterprise Ireland clients.	(EI)
Enhance Management Development, Clustering and Indigenous-MNC Linkages		
229	Roll out client management development offerings to a larger cohort of companies including the use of new delivery mechanisms (e.g. online platforms and peer learning).	(EI)
230	Support 800 participants on short course management development programmes and 230 on long course management development programmes.	(EI)
231	Build on Phase One of the Pilot Industry-led clustering Initiative involving fifty companies.	(EI)
232	Include the needs of family owned businesses more clearly in the Enterprise Ireland Client Management Development offering.	(EI)
233	Include the need to support and encourage companies to look at the potential of evaluating an Initial Public Offering (IPO) across relevant Client Management Development offerings.	(EI)
234	Complete the programme of evaluations of agency programmes to determine their appropriateness, efficiency and effectiveness, and draw out lessons for tailoring interventions.	(DJEI/Forfás, EI, IDA)
Leveraging the linkages between Irish-owned and Foreign-owned enterprises in Ireland		
235 (Also in Section 8)	Progress implementation of the agreed Global Sourcing Strategy across Enterprise Ireland and IDA Ireland to increase global sourcing sales by EI client companies by €100m over 3 years and €30m in 2014.	(EI, IDA)
236 (Also in Section 8)	Develop a joint EI/IDA initiative to support the leadership needs of multinational and Irish companies.	(EI/IDA)
237 (Also in Section 8)	Progress the implementation of the IDA/EI strategy for growth in Irish Business Process Outsourcing including promoting consortia building and assisting capability building.	(EI, IDA)

238 (Also in Section 8)	Progress the implementation of the Medical Technology Strategy agreed between IDA and EI in 2013. <p style="text-align: right;">(EI, IDA)</p>
239 (Also in Section 8)	Develop further joint agency strategies during 2014 in key sectors of opportunity, including a joint agency strategy for the Renewable Energy/Wind Energy sector. <p style="text-align: right;">(EI, IDA)</p>

7.2 Maximising Procurement Opportunities

The public sector has an immense purchasing power, spending in the region of €8.5 billion per annum on goods and services in addition to expenditure on public works. This level of expenditure by the public sector affords significant business opportunities for firms that can supply the products and services that are required by public bodies.

At the same time, the Government continues to seek improvements in efficiency and value for money in the procurement process. As part of the Public Service Reform Plan, the Government is committed to reforming the public procurement process to deliver greater value for money through increased use of common procurement frameworks, centralised purchasing, increased professionalism and more innovative use of technology. The Government has established an Office of Government Procurement as an independent body under the aegis of the Department of Public Expenditure and Reform to drive a new consolidated and integrated approach to public procurement.

Suppliers will need to adapt to this changing approach and examine the potential for increased use of joint tendering, where appropriate, to compete for aggregated contracts. Enterprise Ireland and the Office of Government Procurement will continue to assist SMEs to improve their capacity to tender for public contracts in this new scenario. Enterprise Ireland will also continue to help indigenous companies to identify procurement opportunities in overseas markets and help build their capability to compete for those contracts.

Procurement can also be an enabler of private sector innovation. The purchase of innovative solutions by public bodies to meet their needs can support the drive to reduce costs in procurement budgets. Many innovative companies can offer solutions to the needs of public sector bodies with lower whole of life costs than more conventional purchases. Winning public sector contracts with innovative solutions also serves as an important reference point for companies who wish to sell those products or services in overseas markets. However, for this mutually beneficial outcome to be realised, there is a need for contracting authorities in Ireland to become more open to procuring innovation.

2014 Priorities

In the context of the overall reform of the public procurement structures in Ireland, the Government's priorities in relation to procurement in the Action Plan for Jobs 2014 are to:

- Review and update the Government's Procurement Guidelines and Procedures to address any obstacles to SMEs participating as fully as possible in the public procurement process;

- Improve the capacity of SMEs to tender for public sector contracts;
- Continue to support Irish companies seeking to participate in procurement contracts overseas; and
- Encourage a wider approach to purchasing innovative solutions to meet public sector needs.

2014 Actions

Review and update Government Procurement Guidelines and Procedures

240	In consultation with the Chief State Solicitors Office, maintain and update the standard suite of tender and contract documentation for goods and services and encourage their wider use across the public service. This will bring about a more consistent approach to procurement which will assist SMEs in accessing procurement opportunities by reducing legal and administrative costs. <p style="text-align: right;">(OGP)</p>
241	Establish a working group comprised of SME stakeholders that will examine ways to improve SME access to public procurement opportunities. <p style="text-align: right;">(OGP)</p>
242	Commence work on the transposition of the new EU Procurement Directives to take advantage of the revised procedures designed to encourage SME access (transposition will be completed in 2015). <p style="text-align: right;">(OGP)</p>
243	Following consultation with SME stakeholders, and in the context of the transposition of the new EU Procurement Directives, revise procurement Circular 10/10 in line with the on-going transposition of the Directives, to encourage greater SME access to procurement. <p style="text-align: right;">(OGP)</p>
244	Pilot informal procedures for engagement between tenderers and Contracting Authorities to provide clarity and advice in relation to criteria included in tendering notices. <p style="text-align: right;">(OGP)</p>
245	As part of the OGP's programme to improve general statistical information, establish a Business Intelligence Unit that will, as part of its remit, gather strategic data on the businesses that are participating in public procurement processes. <p style="text-align: right;">(OGP)</p>

Improve the capacity of SMEs to tender for public sector contracts

246	Continue to encourage SMEs to register on, and use, the State's eProcurement web portal www.etenders.gov.ie . <p style="text-align: right;">(OGP, EI)</p>
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247	Work to increase SME awareness of public procurement opportunities through the OGP, Enterprise Ireland and InterTradeIreland. (OGP, EI, InterTradeIreland, NDFA)
248	Provide information to SMEs on approaches to multiparty tendering from a competition and procurement law perspective. (OGP, Competition Authority)
249	Develop regional consortia building programmes to encourage collaboration between SMEs (EI, InterTradeIreland)
Support Irish companies seeking to participate in procurement overseas	
250	Support Irish companies seeking to participate in procurement overseas through engagements for SMEs with International Financial Institutions (EI)
Encourage greater purchasing of innovative solutions	
251	Examine practical ways to highlight the merits of purchasing innovative products and services, where appropriate, as a means of achieving cost savings in public procurement. (OGP, EI, DJEI)
252	Introduce, on a pilot basis, a Small Business Innovation Research (SBIR) programme which will provide opportunities for innovative solutions to be developed to meet the needs of public bodies. (EI with relevant Departments/agencies)

8. Developing and Deepening the Impact of Foreign Direct Investment

Foreign Direct Investment (FDI) has been, and will continue to be, an integral part of Ireland's economic development strategy. Foreign-owned firms contribute substantially to Ireland's exports, jobs, expenditure in the Irish economy and to Exchequer funds. FDI plays a key role in stimulating the development of 'new' sectors in Ireland, in enhancing our research, development and innovation performance and in accelerating the achievement of critical mass within sectors.

IDA Ireland is the principal agency charged with attracting foreign direct investment to Ireland. Its targets for the 5 year period 2010 to 2014 are set out in its Horizon 2020 strategy. These high level targets include 62,000 gross new jobs over the period, 25,000 net new jobs and 640 investment projects. In 2013, IDA Ireland reported 13,400 gross new jobs, over 7,000 net new jobs and 164 projects. The 7,000 net new jobs created in 2013 was the largest annual increase in over a decade. Total employment in IDA Ireland client companies now stands at 161,000.

There were job gains across all sectors that IDA Ireland is focused on, but particularly in Digital media/Content, ICT, International Financial Services, Life Sciences and Business Services. The strong performance in 2013 positions IDA Ireland well to achieve or exceed each of the targets set out above. At the end of 2013, it had achieved 81 per cent of its 5-year gross jobs target, 84 per cent of its net jobs target and 91 per cent of its target for investment projects.

A key aspect of IDA Ireland's focus is developing and deepening the impact of FDI through the organisation's Client Transformation Programme. This involves wide ranging engagement and influencing of senior management of existing FDI facilities in Ireland and with corporate leaders overseas, seeking to widen and deepen the mandate and functions of the Irish-based facilities. This is achieved through a range of instruments such as technology uplifts, skills enhancement, energy improvements, productivity uplift and investments in new facilities and equipment. This a vital activity as positive outcomes further embed existing investors, thus providing long term employment, often in important regional locations.

As indicated in Section 7 above, IDA Ireland and Enterprise Ireland work together closely on a number of joint initiatives. This includes active engagement to assist appropriate indigenous companies to optimise supply chain business opportunities presented by the MNC community.

Ireland's success in attracting foreign direct investment requires a focus on national competitiveness as well as the transformation process within client companies. Targeting of specific growth sectors and business models, increased competitiveness and an improved international reputation are key factors that contributed to the strong results in recent years, all of which must be maintained through 2014 and beyond.

2014 Priorities

To develop and deepen the impact of foreign direct investment in Ireland in 2014, we will:

- Continue to support implementation of the IDA Ireland Horizon 2020 strategy; and
- Strengthen further the linkages between indigenous and multinational enterprises through a programme of activity overseen by the joint IDA-EI Senior Management Team.

2014 Actions

Continue implementation of the IDA Ireland Horizon 2020 strategy

253	Target 13,000 new gross jobs yielding approximately 6,000 net new jobs in 2014.	(IDA)
254	Work to win another 155 new FDI investment projects in 2014 with 20 per cent from growth markets.	(IDA)
255	Achieve €500 million in R&D investment to have a total annual R&D spend by multinationals in Ireland of €1.7 billion by end-2014.	(IDA)
256	Attract 30 FDI projects from emerging overseas businesses to Ireland.	(IDA)
257	Complete and publish a FDI Policy Statement by Q2 to set out the strategic FDI policy direction to 2020.	(DJEI/Forfás)
258	Undertake a critical analysis of the Special Assignee Relief Programme in 2014 with a view to adapting it, if necessary.	(D/Finance, Revenue Commissioners)
259	Explore the potential of the “Internet of Things” by establishing a representative group which will agree priorities for action and present proposals to Government.	(IDA)

Strengthen Linkages between Indigenous and Multinational Enterprises

235 (Also in Section 7)	Progress implementation of the agreed Global Sourcing Strategy across Enterprise Ireland and IDA Ireland to increase global sourcing sales by EI client companies by €100m over 3 years and €30m in 2014.	(EI, IDA)
236 (Also in Section 7)	Develop a joint EI/IDA initiative to support the leadership needs of multinational and Irish companies.	(EI/IDA)
237 (Also in Section 7)	Progress the implementation of the IDA/EI strategy for growth in Irish Business Process Outsourcing including promoting consortia building and assisting capability building.	(EI, IDA)

238 (Also in Section 7)	Progress the implementation of the Medical Technology Strategy agreed between IDA and EI in 2013. <div style="text-align: right;">(EI, IDA)</div>
239 (Also in Section 7)	Develop further joint agency strategies during 2014 in key sectors of opportunity, including a joint agency strategy for the Renewable Energy/Wind Energy sector. <div style="text-align: right;">(EI, IDA)</div>

9. Sectoral Opportunities

9.1 Agriculture, Food and Marine

The agri-food and marine sector plays a very significant role in national economic development, with exports reaching €9.99 billion in 2013, building on the €3 billion growth (40 per cent) achieved over the past three years. The sector provides an important development and employment stimulus in rural and coastal areas, in particular, where employment alternatives can be limited.

The Food Harvest 2020 (FH2020) strategy is driving the development of this industry and its latest implementation report 'Milestones for Success 2013' sets out a range of initiatives with job creation potential. To achieve the Food Harvest 'Smart', 'Green' objectives, the agri-food sector must meet the twin requirements of environmental sustainability and productivity gains. Of major assistance in this regard is the roadmap and recommendations set out in the detailed environmental analysis of FH2020 which has been completed recently.

All the principal agencies on the FH 2020 Implementation Committee effectively collaborate to provide a suite of programmes which maximise enterprise supports. At farm level, Teagasc implements the DAFM developed farm technology adoption programmes for dairy, beef and sheep farmers involving up to 15,000 clients. Their major focus is on achieving improvements in breeding, grassland management, financial capability and productivity to facilitate skill transfer and improved profits at farm level. Scale and productivity will also be improved by increasing collaborative working arrangements at farm level and by implementing the knowledge transfer measures in the proposed 2014-2020 Rural Development Programme.

The Bord Bia industry focused graduate education programmes (Marketing Fellowship, Strategic Growth Programme, Food Marketing Graduates) have delivered improved exports, market entry and sales. Last year's Fellows completed 100 commercial assignments with potential sales value of €34m. Enterprise Ireland's suite of LEAN Business projects has been shown to deliver substantial cost competitiveness savings as well as improving human capacity and performance in the food sector. In this sector, the 152 lean projects have to date delivered average annual cost savings ranging from €69k from Lean Start, €169k from Lean Plus, to Lean Transform delivering between €200k and €10m.

Opportunities for future growth are particularly evident in the dairy, meat, seafood and drink sectors.

The abolition of milk quotas by April 2015 presents an opportunity to dramatically increase Ireland's production of milk and associated added value products. Irish milk output is projected to increase by 50 per cent by 2020 and this will generate significant employment. State enterprise bodies are successfully working with industry partners to expand capacity, increase market share and invest in new product development and innovation. Collaboration between Teagasc and the Irish Dairy Board on new cheese products has already achieved market success while industry-led collaborative projects are on-going in the area of ingredient and process development.

The changing pattern of protein consumption globally and premium markets within the EU provides opportunities to increase the value and value-added components of Irish meat exports. Securing access to markets is a critical success factor. Ministerial trade missions, linked to diplomatic and technical efforts, opened a number of important markets in 2013.

These trade and investment missions will continue in 2014 with a focus on Asian markets, the Gulf States and the USA.

The new Beef Genomics Scheme (BGS) will provide a scientific basis to increase efficiency by assisting beef farmers select and exploit genetic variations, while the knowledge transfer element of the Beef Technology Adoption Programme will accelerate its uptake. The BGS can also provide a building block for the development of a genetic traceability system which, when implemented, would be a global first.

The Food Harvest 2020 report specifically highlighted the potential of the seafood industry to increase employment from 11,000 to 14,000 and anticipated that its turnover would increase from €700 million to €1 billion by 2020.

Beverages are also performing well and the international market demand for whiskey is increasing, providing new investment opportunities for increased Irish production, marketing and employment.

Measures to promote sustainable development are being progressed by the State, farmers and industry. A major new platform is the proposed Rural Development Programme (RDP) which will progress a range of agri-environmental measures, on-farm resource efficient investments and knowledge transfer mechanisms to support the shift towards a low carbon, climate resilient economy. A number of elements in this programme specifically address the recommendations of the FH 2020 environmental analysis report and these linkages may well be strengthened as a result of the RDP stakeholder consultation process which has commenced.

Other new on-farm sustainability initiatives to be progressed this year include a carbon navigator tool and the dairy quality and sustainability programme. The carbon navigator allows farmers correlate activities with carbon outputs while the dairy quality and sustainability programme, which is supported by the dairy processing companies, will bring a further 10,000 dairy farmers into the accredited on-farm audit and inspection sustainability programme.

The Global Irish Economic Forum 2013 placed an emphasis on the need to enhance the reputation of Irish food on the global market, particularly in the area of sustainability. The Bord Bia developed 'Origin Green' programme presents industry with a major opportunity to achieve a leading global position on sustainability and to differentiate Irish participants as sustainable suppliers of choice. Almost 60 per cent of food and drink exports are currently being supplied by fully verified Origin Green companies and the intention, in 2014, is to increase this percentage to 75 per cent. In addition, 10 Origin Green Ambassadors will spend about six months in global food companies to communicate the Origin Green message while gaining knowledge in sustainable cost reduction programmes.

2014 Priorities

The priorities for the Government in relation to Agriculture, Food and Marine under the Action Plan for Jobs will be to:

- Start and Develop agri-food and marine SMEs;
- Support Sectors of High Potential;
- Improve Ireland's agri-food Sustainability Performance; and
- Review agri-taxation measures to ensure maximum benefit to the sector.

2014 Actions

Starting and Developing Agri-food and Marine SMEs	
260	Select and support a new cohort of HPSU food entrepreneurs under Food Works 2. (Bord Bia, EI, Teagasc)
261	Create over 100 new jobs in the seafood processing sector by end 2014. (BIM)
262	Run a Food Academy to nurture start up food businesses through workshop style training and assistance with routes to market. (Bord Bia, LEOs)
263	The Irish Maritime and Energy Resource Cluster (IMERC), a partnership of the Naval Service, University College Cork, Cork Institute of Technology and National Maritime College Ireland, will facilitate development or host upwards of 180 new jobs in 2014. (IMERC Partners)
264	Include in the new 2014 -2020 Rural Development Programme enterprise support measures for farms and SMEs. (DAFM)
265	Maintain the number of farmers participating in DAFM's farm technology adoption programmes and increase by 150 the number of those using collaborative farming initiatives. (Teagasc)
266	Use the Bord Bia Food Graduate development programmes to attract graduate talent into the sector while improving sales and developing commercial marketing skills. (Bord Bia)
267	Achieve by end 2014 a cumulative total (since commencement of FH 2020) of 175 food companies supported by the Lean Manufacturing programme and 100 food clients in the Leadership 4 Growth programme, including International Selling programmes. (EI)
268	Support over 100 food SMEs through the Teagasc Food SME Technology Support Programme and BIM Seafood Centre. (Teagasc, BIM)
Supporting Sectors of High Growth Potential	
269	Enterprise Ireland to support 25 significant food and drink industry investments, five of which will be FDI projects in 2014. (EI)

270	Roll out a schedule of food related Ministerial Trade and Investment Missions and continue with technical and diplomatic efforts to improve trade and access for agri-food products. (DAFM)
271	Launch and implement a project to market, on a commercial basis, Ireland's expertise in the provision of public agri-food support services. (DAFM)
272	Support the launch of 3 new cheese products through Teagasc and the Irish Dairy Board by end 2014. (Teagasc, Irish Dairy Board)
273	Implement Phase 2 of Food for Health Ireland which will focus on commercialisation of compounds developed in Phase 1. (EI)
274	Collaborate to identify priority strategic research opportunities in support of the Dairy processing centre. (EI, Teagasc)
275	With industrial clients, progress commercialisation of new dairy ingredient/processes. (Teagasc)
276	Work with partners to implement a Beef Genomic scheme and roll out new sexed semen technology on dairy and beef farms. (DAFM)
277	Engage with Industry to evaluate the need for a Meat Technology Centre to support the needs of the Meat Sector. (EI)
278	Launch and implement an industry developed whiskey strategy. (IBEC, DAFM, EI)
279	Launch and implement a strategy for the Prepared Consumer Foods Sector. (IBEC, DAFM)
280	Progress the development/licensing of large scale deep sea finfish aquaculture sites in line with the road map set out in Food Harvest 2020 Milestones report. (DAFM)
281	Increase the number of aquaculture licence determinations to 200-250. (DAFM)

Improve Ireland's agri-food Sustainability Performance	
282	Launch the 2014 -2020 Rural Development Programme with measures supporting farm sustainability. (DAFM)
283	By end 2014, achieve target of 75 per cent of food and drinks exports being supplied by companies participating in the Origin Green Sustainability Programme. (Bord Bia)
284	Launch a sustainability and quality programme for the dairy sector and incorporate into Origin Green. (Bord Bia)
285	Appoint 10 Origin Green Ambassadors and assign to global food and drinks companies. (Bord Bia)
286	Track outcomes and new business development from the Bord Bia 2013 Global Sustainability Conference. (Bord Bia)
287	Enhance reputation of Irish food on global markets, showing Irish leadership on sustainability and building on the success of Origin Green (Bord Bia)
Review Agri-Taxation Measures to Ensure Maximum Benefit to the Sector	
288	Undertake an independent cost benefit analysis in the area of Agri-Taxation with a view to ensuring maximum benefit to the sector and to the wider economy and bringing forward recommendations for Budget 2015. (D/Finance, DAFM, Revenue Commissioners)

Case Study: Origin Green

One of the aims of Food Harvest 2020 was to develop an evidenced based sustainability programme to improve export performance by showcasing Irish food and drink exports as products with a strong sustainability provenance.

Following extensive trade, industry and consumer research between 2010 and 2012, Bord Bia launched Origin Green in June 2012 which incorporates specific sustainability enhancing activities at farm and industry level. At the heart of company activities is a Sustainability Charter which provides verifiable evidence of sustainability performance to give Irish food exporters a valuable point of differentiation in the marketplace. Participating manufacturers develop multi-annual action plans with measurable targets in areas such as emissions, waste, water, biodiversity and social sustainability. Progress in key areas is reported on annually. These plans and progress reports are approved by the SGS group, an independent global verification and certification inspection company. Examples of company targets include:

- Reduce salt content of products by 15 per cent by end of 2013;
- 80 per cent of inputs to come from suppliers with recognised sustainability programmes by the end of 2014;
- Implementation of a rainwater harvesting system by 2014;
- Removal of artificial colourings by end of 2014;
- 25 per cent reduction in energy usage by 2015;
- Zero waste to landfill by 2015;
- Develop work placement programme for 50 local students by end of 2015;
- Installation of an Anaerobic Digester by 2016; and
- 30 per cent reduction in CO2 emissions by 2020.

Very significant buy-in and support has been achieved at industry and farm level. By end 2013, 297 food and drink companies had registered their interest in becoming members and already 60 per cent of food and drink exports are supplied by companies who are verified members of Origin Green. The target is to increase this to 75 per cent by end 2014 and to progress from there.

Sustainability initiatives apply across the food chain. At farm level, Origin Green is being rolled out using the Bord Bia Quality Assurance Scheme infrastructure. Examples of achievements include:

- 50,000 sustainability assessments, accredited by the UK Carbon Trust, undertaken by beef and sheep farmers as part of the Beef & Lamb QA Scheme,
- The industry approved Sustainable Dairy Assurance Scheme, launched in December, will be rolled out to all dairy farms over the coming 18 months,
- Launch of the EPA Smart Farming website and smart phone app -www.smartfarming.ie. This collaborative effort by EPA, IFA, Teagasc and industry provides money saving resource efficiency guides and suggestions. Using the IFA web page and the Farmers Journal, these pilot farms tell their story about implementing resource efficiencies which saves them money while protecting the environment.

This national holistic approach to sustainability and the link to our quality assurance schemes make Origin Green unique and is positively assisting our food and drink export performance which in 2013 increased by 9 per cent to approach €10 billion for the first time.

9.2 Green Economy

The Green Economy encompasses a range of activities spread across different sectors of the economy which have the common objective of providing goods and services in a sustainable way which reduces the impact on the environment. For Ireland, it covers activities as diverse as renewable energy, water management, energy efficiency, sustainable food production, tourism, green financial services, waste management, and energy efficient products and services. The term “Cleantech” is sometimes used when referring to products and services in the Green Economy. Research and development also has a key role to play in developing the Green Economy.

The Green Economy offers significant potential for employment growth and for enterprises in Ireland to develop new market opportunities for innovative products and services. The Green Economy is supported through a range of activities across many Government Departments and agencies. In 2012, the Government published *Delivering Our Green Potential*, a Policy Statement on Employment and Growth in the Green Economy. The Government also established a Consultative Committee on Jobs in the Green Economy which is chaired by the Minister for Jobs, Enterprise and Innovation and has strong industry representation. The Consultative Committee has made an important contribution to the actions for delivery in 2014 on the Green Economy.

2014 Priorities

The priorities for the Government in relation to the Green Economy in the Action Plan for Jobs 2014 are to:

- Increase the opportunity for Irish companies to find new export opportunities for cleantech goods and services;
- Continue to explore and develop opportunities – including supply chain opportunities - in the area of renewable energies;
- Invest in energy efficiency measures to support jobs in local economies;
- Continue to develop opportunities for Ireland as a test-bed for Green technologies;
- Support initiatives to promote opportunities in the Green Economy; and
- Review the potential for the development of new areas of economic opportunity and job creation in the Green Economy (e.g. waste recycling) in the medium-to-long term.

In addition to the actions set out below, a number of actions elsewhere in this Plan will help to support the development of the Green Economy - for example in relation to the Energy Efficiency Disruptive Reform, the Origin Green standard in the Agri-Food sector, and Marine Energy research which is one of the 14 areas identified for Research Prioritisation.

2014 Actions

Increase the Opportunity for Irish Companies to find new Export Opportunities for Cleantech Goods and Services

289	Carry out Cleantech Trade Missions or include the Cleantech sector in multi sectoral trade missions to highlight the products and services available from Irish companies in the sector and to develop export opportunities for them.	(EI, DJEI)
290	Continue to look for international trade liberalisation in green goods, technologies and services in bilateral and multilateral trade agreements.	(DJEI)

Explore and develop opportunities in the area of renewable energies

291	Continue to work with UK authorities on the potential for an Inter Governmental Agreement which could facilitate the trade of energy from renewable sources between Ireland and the UK.	(DCENR)
292	Publish the Offshore Energy Renewable Development Plan, which will set out how Ireland can harness the opportunities presented by offshore renewable energy to contribute to economic recovery, growth and jobs.	(DCENR)
293	Publish a National Bioenergy Strategy, setting out the Government's medium term plans in relation to this area.	(DCENR)
294	Examine the potential for job creation through expansion of domestic supply chains linked to the investment required to meet Ireland's 2020 renewable energy and energy efficiency targets.	(SEAI, DCENR, DJEI/Forfás, EI, IDA)

Invest in Energy Efficiency Measures to Support Jobs in Local Economies

295	Invest in energy efficiency retrofitting of Local Authority houses, with a target of completing some 12,500 homes and supporting 1,000 jobs in 2014.	(DECLG)
296	Provide €13.5 million for the Better Energy Communities scheme, €20 million for the Better Energy Homes scheme and €20 million for the Better Energy Warmer Homes scheme in 2014, which collectively will sustain 3,500 jobs in energy efficiency installations.	(SEAI, DCENR)
297	Develop an Irish Standard on Energy Efficiency Design (EED) Methodology to support the development of the Green Economy and further improve industry energy consumption efficiencies.	(NSAI, SEAI)

298	Publish a new comprehensive Code of Practice for retrofitting of homes to drive growth in the sector by raising quality and standards.	(NSAI, SEAI)
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Ireland as a Test Bed for Green Technologies

299	Promote Ireland as a test bed in the areas of renewable energy and grid development and work with industry and researchers to develop opportunities for test-bedding Smart Grid technologies.	(SFI, SEAI, EI, IDA)
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Identify and Promote Opportunities in the Green Economy

300	Support the promotion of the Green Economy in Ireland by active participation in key events.	(DJEI, EI, DCENR, EPA, SEAI)
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301	Publish a guidance document to assist the public sector to implement and maintain procedures for green public procurement practices, including a standard 'green clause' which could be used in relevant public sector tender documents.	(EPA)
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302	Develop an internet resource, signposting the range of supports available to Irish enterprises to help them reduce energy, materials usage, water and waste, and develop new and innovative green products and services.	(DJEI)
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Review the Potential for New Areas of Economic Opportunity

303	Review the potential for job creation through the greater use of waste as a resource in Ireland including through the preparing for reuse, recycling/reprocessing and recovery of waste and explore what additional actions are required to stimulate the further development of indigenous recycling and recovery infrastructure.	(DECLG, DJEI)
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304	Continue to identify opportunities for developing the Green Economy through meetings of the Consultative Committee on Jobs in the Green Economy.	(DJEI, Consultative Committee)
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9.3 Construction and Property

A properly functioning construction sector, operating in a sustainable manner, is a vital part of a modern economy. It can make an important contribution to economic growth, to getting people back to work, and to providing the infrastructure and buildings essential to our future economic well-being.

As has been widely acknowledged, the decline in the sector in Ireland in recent years has been unprecedented in scale and duration. While there are some welcome early signs of recovery, the sector has, by international comparison, over-corrected and is now operating below its long-term sustainable level.

The Government is committed to ensuring a vibrant construction sector that can contribute to its full potential to sustainable economic growth and recovery and to job creation, including in helping the significant number of those unemployed who previously worked in construction back into employment.

It is also determined to ensure that we learn from and do not repeat the mistakes of the past. Development, including in housing, must be related to real measured needs and planned in a sustainable manner, and not driven by the search for speculative gain.

Similarly, the public must have confidence that standards in the sector are high and that there is accountability if things go wrong.

We will, therefore, shortly publish a Strategy for the construction sector which will address some of the key challenges it faces, including developing a strategic approach to housing supply, identifying and implementing further improvements in the planning process to facilitate appropriate development, and working to improve financing options for development and mortgage provision.

We will also continue to play our full part in helping to generate and sustain jobs through the capital spending programme.

The Strategy will build on work already achieved through the Action Plan for Jobs 2013, the 2013 Forfás report on Ireland's Construction Sector, the policy statement on construction which the Government published last year and the targeted measures introduced in Budget 2014 aimed at increasing activity levels, improving compliance and boosting employment.

2014 Priorities

Priorities for 2014 are to:

- Publish and implement a Strategy for the construction sector, which will:
 - Develop a strategic approach to housing supply
 - Ensure proper planning and sustainable development
 - Mobilise the Public Capital Programme
 - Ensure availability of financing options for development and sustainable access to mortgage finance
 - Strengthen public confidence through robust regulation
- Ensure the effective operation of construction-related measures in Budget 2014;
- Facilitate inward investment;

- Support international expansion; and
- Improve Energy Efficiency.

2014 Actions

Supporting the recovery of a sustainable construction sector capable of contributing to economic growth and job creation, and equipped to meet the future infrastructure needs of the country, including in housing supply.

305	Publish and implement Construction Sector Strategy. (D/Taoiseach and relevant Government Departments)
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Ensuring Proper Planning and Sustainable Development

306	Publish the general scheme of a planning bill to implement planning provisions of Mahon Tribunal and publish a policy statement on planning outlining an overarching planning policy. (DECLG)
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307	Monitor and report on compliance of local authorities with the new Development Contribution Guidelines published in January 2013. (DECLG)
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308	Initiate public consultation on measures to improve and streamline the development management process to inform a review of the development management guidelines and regulatory frameworks. (DECLG)
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309	Identify planning related measures, including updating the planning legislative framework through the upcoming Planning Bill and making necessary targeted revisions to the planning system, to support sustainable development and economic recovery. (DECLG)
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310	Establish new Regional Assemblies which will have the responsibility for preparing new Regional Spatial and Economic Strategies, replacing the previous Regional Planning Guidelines. (DECLG)
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311	Continue to engage with Dublin Local Authorities in monitoring the housing supply situation in Dublin with a view to ensuring a co-ordinated and integrated approach in planning policies and investment in necessary infrastructure. (DECLG and relevant local authorities)
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312	Implement the Government Action Programme on Unfinished Housing Developments and specifically the Budget 2014 Special Resolution Fund. (DECLG)
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Ensuring appropriate financing options for development and mortgage finance	
313	Develop metrics with banking and other interested funding providers to ensure the availability of sufficient finance to support a sustainable construction sector. (D/Finance)
314	NAMA will advance up to €2 billion in development funding over the next three years, in addition to the €500 million that has been already advanced, to complete or commence new development on property held as security for its loans, subject to commercial viability and appropriate cost recovery arrangements. This funding will be advanced directly by NAMA or through appropriate commercial partnerships. (NAMA)
315	NAMA will focus on projects that address particular supply shortages, e.g. it will facilitate the construction of 4,500 new houses or apartments in the Greater Dublin Area, office space in the Dublin Central Business District and projects in other key urban areas, subject to commercial viability and appropriate cost recovery arrangements. A core focus will be development in the Dublin Docklands, subject to the delivery of a commercially viable Strategic Development Zone. (NAMA, DECLG)
316	Work with mortgage providers to ensure a sustainable approach to mortgage provision including more transparency and information for applicants through the mortgage approval process. (D/Finance)
Facilitating inward investment	
317	Actively engage with the IDA to facilitate the property needs of companies seeking to create jobs in Ireland. (NAMA)
Mobilising the Public Capital Programme	
318	Continue to implement the Public Capital Programme and outline public investment plans for 2015-2019. (DPER and relevant Departments)
319	Explore mechanisms for private financing and greater use of Public Private Partnerships. (DPER)
320	Complete and implement the review of the public works contract. (DPER)
321	Extend the use of social clauses in public works contracts where appropriate, drawing on the experience of the pilot programme. (DPER, NDFA, NRA)

Developing a register of Builders, Contractors and Construction Trades

322	Facilitate the development of a robust voluntary register of Builders, Contractors and Construction Trades to be available to registrants from 1 March 2014 and further developed in consultation with relevant statutory agencies.	(DECLG)
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Supporting International Expansion

323	Continue to support the expansion of construction firms into international markets, in particular through measures supporting capacity building in management and training and through the overseas support of Embassies and Enterprise Ireland offices.	(DJEI and Agencies)
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Strengthening public confidence through robust regulation

324	Implement a new Building Control Management System hosted by the Local Government Management Agency to provide a common nationwide platform for the administration of building control activity in line with SI No. 9 of 2014.	(DECLG)
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325	In conjunction with the County and City Managers' Association work towards regional groupings of Building Control Authorities working to a common set of protocols adding efficiency, clarity and consistency to building control administration across the local government sector. This will also facilitate a risk-based approach by local authorities to their own independent inspection arrangements ensuring that resources are targeted and deployed effectively providing real and meaningful oversight of building activity. The move to regional/shared services approaches and the adoption of common IT and administrative procedures are necessary first steps towards the development of a unified national building inspectorate.	(DECLG and Local Authorities)
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326	In collaboration with key stakeholders (public and private sector) consider and report on the potential for latent defects insurance as an ultimate form of redress for consumers and homeowners.	(DECLG)
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327	Ensure effective implementation of Building Control (Amendment) Regulations 2013 from 1 March 2014, and introduce a wider package of building control reforms to accompany the new regulations to ensure stronger consumer protection	(DECLG)
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328	Finalise work and commence Construction Contracts Act legislation.	(DPER)
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Ensuring effective operation of construction-related measures in Budget 2014

329	<p>Publicise the Home Renovation Incentive (HRI) scheme, to assist with encouraging take up of the scheme, providing stimulus for the construction sector.</p> <p style="text-align: right;">(D/Finance, Revenue Commissioners)</p>
330	<p>Submit an application seeking EU State Aid approval for the Living in the City Initiative for residential properties constructed prior to 1915 in Ireland's six the cities namely Limerick, Waterford, Cork, Galway, Kilkenny and Dublin, to facilitate a Commencement Order being made by the end of the year.</p> <p style="text-align: right;">(D/Finance)</p>

Improving Energy Efficiency

331	<p>Oversee implementation by Local Authorities of a programme of works to improve the quality and enhance the energy efficiency of the existing Local Authorities housing stock.</p> <p style="text-align: right;">(DECLG, Local Authorities with relevant Departments and agencies)</p>
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9.4 Tourism

Tourism continues to contribute significantly to Ireland's economic recovery. The Quarterly National Household Survey, Quarter 3 2013 employment figure showed continued growth in the Accommodation and Food Service Activities sector which now employs almost 138,000 people. The Republic of Ireland attracted 6.986 million overseas visits in 2013, an increase of 7.2 per cent compared to 2012. This continued strong performance was aided by the Government's decision in 2011 to introduce a temporary reduced VAT rate of 9 per cent for tourist related services. The introduction of the 9 per cent VAT rate has helped to create and retain jobs in the accommodation and food service sector where employment has increased by 16,600 between Quarter 3 2011 and Quarter 3 2013. While the 9 per cent rate was due to expire in December 2013, Budget 2014 confirmed the retention of the 9 per cent rate for hotel and catering services.

The 2013 overseas visit figures were particularly encouraging as they showed growth across all of our main markets. The number of visits from North America was the highest ever recorded (1.158 million) while Great Britain grew by 5.6 per cent after a number of challenging years. As many Irish tourism businesses are not optimally structured for growth as they emerge from the downturn, plans are in place to deliver a programme of supports to help these firms to grow earnings and jobs. These plans will focus on leadership, management and staff development, business planning and operations.

The Gathering's success has shown that communities have a key role to play in delivering authentic tourism experiences. Fáilte Ireland will continue to work with community led projects to ensure that longer term benefits arise. Fáilte Ireland will also review how it operates so that the burden of regulation in the accommodation sector is significantly reduced and opportunities for interagency collaboration are increased. The Expert Group on Future Skills Needs and Forfás will undertake a hospitality skills report. The Government's Medium Term Exchequer Framework 2012-2016 includes provision for significant investment in tourism product development. The allocation of funding to specific tourism capital investment projects is the responsibility of Fáilte Ireland, which operates the Tourism Capital Investment Programme. The capital investment budget is for tourism projects comprising infrastructure, attractions and activities. A number of significant projects for which funding was previously approved will be completed in 2014. The Global Irish Economic Forum 2013 also focused on enhanced engagement with the diaspora.

Under Budget 2014, a specific additional allocation of €8m was provided to implement the Wild Atlantic Way project. This will facilitate the installation of signage along the 2,500km route and the development of the discovery points to improve the visitor experience. A review of tourism policy was launched on 11th September 2013. This review is designed to look at all aspects of Irish tourism and all stakeholders were invited to submit their views on the issues. The review will be finalised by the first half of 2014 and a new detailed tourism strategy and action plan will be finalised by the end of 2014.

2014 Priorities

The priorities for the Government in relation to the tourism sector in the Action Plan for Jobs 2014 are to:

- Grow tourism earnings and jobs;
- Support capital investment in tourism; and

- Complete a Tourism Policy Review and develop a new Tourism Strategy and Action Plan.

2014 Actions

Grow tourism earnings and jobs

332	Deliver a programme of supports to businesses in the tourism sector, including developing visitor experiences, growing digital presence and international sales, to help them grow earnings and jobs. (DTTAS, Fáilte Ireland)
333	Progress the introduction of Common Travel Area visa arrangements between Ireland and the UK for tourist and business visas. (D/Justice and Equality, DFAT, DJEI, other relevant Departments and agencies)
334	Establish if there is a suitable project and partner available to develop a National Diaspora Centre. (DTTAS, Fáilte Ireland)
335	As announced in Budget 2014, continue the 9 per cent VAT rate on tourism related services and goods to support the tourism sector. (D/Finance)
336	Work with local communities to translate the Gathering's legacy into sustainable employment opportunities. (Fáilte Ireland)
337	Develop greater collaboration between Fáilte Ireland and Enterprise Ireland in a number of areas, including the fast growing English language training sector. (Fáilte Ireland, Enterprise Ireland)
338	Review the accommodation registration and classification framework to lower the regulatory burden on business and encourage innovation. (Fáilte Ireland, DTTAS)

Support capital investment in tourism

339	Improve the Tourism Offering through capital investment of €24.2 million in 2014, in particular through the development of international scale attractions such as the Wild Atlantic Way. (DTTAS, Fáilte Ireland)
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Develop a new Tourism Strategy and Action Plan

340	Complete a review of tourism policy leading to a detailed tourism strategy and action plan to assist the industry to realise its growth potential. (DTTAS)
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Case Study: The Gathering Ireland 2013

At the Global Irish Economic Forum in October 2011, the Minister for Transport, Tourism and Sport announced proposals for the Gathering Ireland 2013. The year-long event was intended to be a celebration of everything best about Ireland and aimed to bring at least 325,000 additional overseas visitors to Ireland in 2013, generating additional revenue of over €150m.

The Gathering Ireland 2013 was launched internationally over St. Patrick's Day 2012 while a domestic launch took place on 11 May 2012 in Dublin Castle. Tourism Ireland promoted the Gathering in our main international source markets throughout 2012 and 2013. A major domestic marketing and advertising programme was also undertaken by Fáilte Ireland, designed to create awareness among Irish people and encourage them to create their own "gatherings". A series of community/town hall meetings took place involving over 70 separate meetings, with an attendance of over 7,000 to stimulate local communities and groups to embrace the initiative.

CSO figures show that overseas visits to Ireland for 2013 grew by 468,700 (7.2 per cent) compared to 2012. All of Ireland's main overseas markets grew in 2012 with visits from Mainland Europe up by 4.9 per cent; visits from Great Britain up by 5.6 per cent; visits from North America up by 13.9 per cent and other long-haul markets up 15.5 per cent. Independent consultants (Fitzpatrick & Associates) have been commissioned to carry out an Economic Impact Study of The Gathering Ireland 2013 and a final report is due out in April. The preliminary assessment is that the Gathering delivered between 250,000 and 275,000 incremental tourists which would not have otherwise visited in 2013. It is estimated that these additional overseas visitors spent up to €170 million in Ireland.

In terms of Gathering events, the original project plan aimed to create an additional 500 events. By the end of 2013 however, a total of 4,942 "Gatherings" were registered on the official website. In addition, it is known that other "Gatherings" took place that were not registered on the site taking the overall total to over 5,000. Many of the events which were organised for the first time in 2013 are likely to become annual ones.

The Gathering was a critical factor in helping to make the case for additional air access to Ireland during 2013. In this regard, available air seat capacity increased by 4 per cent for the peak Summer season and by 7 per cent for the Winter period. Indications are that all of the increased air capacity secured for the year of The Gathering has been retained for 2014 with a number of new additional routes also confirmed.

It is estimated that the domestic media coverage of The Gathering had an Equivalent Advertising Value of over €40 million while the corresponding figure for overseas coverage amounted to €75 million.

9.5 Retail Sector

The Retail sector plays a significant role in the domestic economy. It accounts for approximately 10 per cent of GDP (approx. €16bn) and, together with the wholesale sector, employs over 270,000 people in Ireland - approximately 15 per cent of the workforce. The sector provides employment in every community in the country and is an important part of every local economy. In addition, retail indirectly supports jobs in other areas, such as logistics and distribution, and provides an important outlet for Irish products.

The performance of the Retail sector is highly sensitive to trends in the wider economy. The sector was particularly badly hit by the economic crisis and the consequent loss in consumer confidence from 2008. Nonetheless, the Government has introduced a number of measures of particular assistance to retail businesses since 2011. These include the introduction of the 9 per cent rate of VAT on certain goods and services, the Disruptive Reform initiative to increase the number of small businesses trading on-line, and the Disruptive Reform to streamline business licence application procedures.

Other more general measures, such as the strengthening of the Credit Review Office and the introduction of the JobsPlus scheme in 2013, also have a positive impact on the Retail sector. Actions set out elsewhere in this Action Plan (including in the areas of Competitiveness and Access to Finance) will help to support the retail sector in Ireland.

2014 Priorities

While the recovery of the Retail sector will be heavily influenced by consumer confidence, the Government's priorities in relation to retail in the Action Plan for Jobs 2014 are to:

- Establish more formal mechanisms for structured, on-going engagement between Government and the Retail sector.
- Address issues that impact on cost competitiveness in the sector;
- Introduce a number of structural measures that will support the Retail sector;
- Continue to progress the two Disruptive Reforms (On-Line Trading and Integrated Licencing Application System) which are targeted at supporting the Retail sector. These are reported on elsewhere in this Action Plan; and
- Focus on providing skills that will support careers in the Retail sector.

2014 Actions

Establish More Formal Mechanisms for Structured Engagement between Government and the Retail Sector.

341 Establish a Retail Consultation Forum to provide a structured on-going engagement between Government and the Retail sector. This Forum will include representatives from the sector and from key Government Departments/agencies to consider on-going and emerging issues facing the sector.

(DJEI and other relevant Departments/agencies)

342	<p>Through the Retail Consultation Forum, assess the impact on the Retail sector and consumer confidence of measures being taken under the Action Plan, including:</p> <ul style="list-style-type: none"> - Retention of the 9 per cent VAT rate on certain services and products - the introduction of the Home Renovation tax incentive scheme - the JobsPlus scheme <p style="text-align: right;">(DJEI, Retail Consultation Forum)</p>
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Address Issues that Impact on the Cost Competitiveness in the Retail Sector

343	<p>Implement measures announced in Budget 2014 to tackle the Shadow Economy in the areas of VAT fraud, illegal tobacco selling, unlicensed trading in alcohol products, and fuel laundering.</p> <p style="text-align: right;">(Revenue)</p>
344	<p>Increase the annual cash receipts basis threshold for payment of VAT by businesses from €1.25 million to €2 million. This will assist retail suppliers in the areas of cash flow and reduced administration.</p> <p style="text-align: right;">(D/Finance)</p>
345	<p>Highlight, through the retail representative bodies, the NAMA rent review guidelines and seek to ensure that they are widely understood and utilised, where appropriate, including in cases where public sector bodies are the owners of premises.</p> <p style="text-align: right;">(DJEI)</p>
346	<p>Remind Local Authorities of the necessity to include, in their development contribution schemes, reduced rates of development contributions or waivers for development in town centres to support town centre development, in line with the statutory guidelines for planning authorities on Development Contributions which were issued in January 2013.</p> <p style="text-align: right;">(DECLG, Local Authorities)</p>

Introduce a Number of Structural Measures that will Support the Retail Sector

347	<p>Widely promote the greater flexibility that has been introduced into the social welfare system to enable unemployed people to move more easily between the welfare system and paid employment when opportunities arise for short periods of employment. We will also examine the potential to extend the period for which these flexible arrangements apply.</p> <p style="text-align: right;">(DSP)</p>
348	<p>Progress the introduction of a National Postcode System in 2014, with a view to rolling out the system in the first half of 2015. The National Postcode System will improve logistics efficiencies for retailers, particularly facilitating on-line trading and reducing the risk of purchasing fraud.</p> <p style="text-align: right;">(DCENR)</p>

349	<p>Extend the <i>Living Cities</i> initiative to Cork, Galway, Kilkenny and Dublin to assist the regeneration of retail and commercial districts. Retailers will be entitled to relief on certain works undertaken to upgrade or refit their shops over a period of seven years at a rate of 15 per cent for the first 6 years and 10 per cent for the final year. The scheme will also attract more families to live in previously run down areas which will in turn provide benefits to local traders. This Initiative is subject to EU State Aid approval and a commencement order.</p> <p style="text-align: right;">(D/Finance)</p>
350	<p>Consider future specific proposals from retail representative groups for planning permission exemptions for certain types of minor works to town centre retail operations.</p> <p style="text-align: right;">(DECLG, Retail Representative Groups)</p>
351	<p>Examine further the potential for measures that could be taken by Local Authorities to address disincentives to town-centre shopping.</p> <p style="text-align: right;">(DJEI, CCMA, DECLG)</p>
Focus on Providing Skills that will Support Careers in the Retail Sector	
352	<p>Make available to the retail sector a new two day training programme to enhance the financial capacity of SMEs.</p> <p style="text-align: right;">(DJEI, Skillnets)</p>
353	<p>Examine the potential for increased support for training specific to the Retail sector through programmes such as Momentum and the Skillnets Training Networks Programme.</p> <p style="text-align: right;">(DES)</p>

9.6 Creative Services

The broad creative services sector encompasses the areas of culture, arts, heritage and the Irish language. The conservation, development and presentation of these sectors helps make a significant contribution to supporting economic activity and regeneration, as well as sustaining enterprise and job creation across the country - both in the sectors that are directly supported by Government, but more particularly in the context of cultural tourism. The investment made in many of these areas is jobs rich and, at the same time, economically and environmentally sustainable.

An independent report published by the Arts Council in late 2011 estimated that, in total, activities in the wider arts sector supported an estimated 12,972 direct jobs during 2011. Taking into account the multiplier impacts of that direct employment (by applying an appropriate multiplier obtained through a review of international best practice), the overall aggregate employment impact that is supported by the wider arts sector was estimated at 20,755 jobs. The number of direct jobs that was supported by the creative industries was estimated to be 48,038 in 2011. Using the same multiplier used to calculate the wider employment impacts of the wider arts sector, the total number of direct, indirect and induced jobs supported in aggregate terms by the creative industries during 2011 was estimated to be 76,862 jobs.

In financial terms, the total direct and indirect tax revenue earned by the Exchequer from the wider arts sector in 2011 was estimated to be some €336 million. The overall Gross Value Added contribution of the creative industries, which include all of the sub-sectors of the wider arts sector, was estimated at €4.6 billion in 2011, which was equivalent to approximately 2.8 per cent of Irish GDP during 2011.

With regard to the heritage sector, a study published by the Heritage Council in 2012 found that the historic environment is a highly significant contributor to Ireland's national economy, directly supporting almost 25,000 jobs. Including indirect and induced effects, it estimated that the historic environment sector supports upwards of 40,000 FTE employment positions in Ireland. In terms of its contribution to national income, Ireland's historic environment is estimated to account for some €1.5 billion annually to the nation's Gross Value Added, with a contribution to the national economy estimated to be equivalent to 1 per cent of total Irish GVA, and some 2 per cent of overall employment.

The protection and promotion of our built national heritage assets have a significant role in generating employment through cultural and heritage tourism, through direct employment in built heritage repair and maintenance, as well as through downstream employment opportunities in the retail, catering, accommodation and construction sectors. In 2014 a number of specific initiatives in relation to the built heritage have the potential to create and sustain employment.

The Gaeltacht and Irish language sector has also contributed in a meaningful way to job creation. Údarás na Gaeltachta created direct employment of some 616 full-time jobs in the Gaeltacht in 2013, as well as maintaining some 7,650 jobs, of which 6,970 are full time and 680 are part-time in its client companies. This work will continue in 2014, as will other initiatives to help create Irish language-centred employment opportunities.

Clearly, the creative sector is already contributing significantly to Ireland's economy, but it is accepted internationally that it has significant potential for growth. While recognising the intrinsic value of the sector to the nation's identity and cultural vitality, the Government remains committed to achieving further gains in employment and tourism from this important

sector. In this regard, the recently-published *Medium-Term Economic Strategy* specifically commits the Government to leveraging the potential of the arts, culture and creative sciences sectors for job creation. It recognises that there are particular opportunities to assist balanced regional development and rural development, including in Gaeltacht areas and in border areas, by developing our creative sectors and cultural and heritage tourism.

2014 Priorities

In addition to the Year of Irish Design (see Winning Abroad section), 2014 priorities in the creative services sector are to:

- Maximise the economic impact and job creation potential of investment in the arts, culture and film sector;
- Grow the economic impact and job creation potential of the heritage sector;
- Encourage job creation in the Gaeltacht and in Irish language-centred initiatives.

2014 Actions

Continue to work to maximise the economic impact and job creation potential of investment in the arts, culture and film sector.

354	Support a new initiative between the Arts Council, DAHG, Local Authorities and the Department of Social Protection to provide more than 100 new places on the Jobbridge programme specifically for arts practitioners through placements with Local Authorities. (Arts Council, DAHG, Local Authorities, DSP)
355	The Arts Council will support some 450 individuals and over 870 organisations across a wide range of arts venues, festivals, arts organisations and touring initiatives around Ireland in 2014. (Arts Council, DAHG)
356	Create up to 300 direct/indirect jobs arising from the major refurbishment programme for the National Gallery of Ireland, a 3-year project on which work is commencing in Q1 2014 following the award of the contract. (National Gallery of Ireland, DAHG)
357	Roll-out further cultural digitisation initiatives by adding new digitised genealogy and family records to the www.irishgenealogy.ie portal, in order to enhance Ireland's roots tourism offering. (DAHG)
358	Advance the 1916 Commemoration and Decade of Centenaries programmes, including capital projects at the GPO, which will directly and indirectly support job creation, as well as cultural tourism. The national programme marking Brian Ború and the Battle of Clontarf will also be supported. (DAHG, An Post)

359	<p>Continue to implement actions set out in the Creative Capital Report to double employment in the film and audiovisual sector by 2016, supporting in the region of 40 significant projects and creating up to 800 jobs in the audiovisual production sector in Ireland in 2014.</p> <p style="text-align: right;">(DAHG, Irish Film Board)</p>
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Take steps to grow the economic impact and job creation potential of the heritage sector in Ireland.

360	<p>Roll out a new €5 million Built Heritage Jobs Leverage Scheme to encourage investment of private capital through matching public funds in a large number of small-scale, labour-intensive projects to repair and conserve historic structures, while supporting the employment of skilled and experienced conservation professionals, craft workers and trades people. This initiative will be linked to a targeted training scheme in traditional building skills.</p> <p style="text-align: right;">(DAHG, Local Authorities)</p>
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361	<p>Support the Historic Towns Regeneration Initiative, which is being run on a pilot basis in three towns - Youghal, Westport and Listowel - to support both tourism-related and conservation-related employment.</p> <p style="text-align: right;">(DAHG, Fáilte Ireland, Heritage Council, Local Authorities)</p>
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362	<p>Promote an initiative to drive heritage tourism initiatives across the Department of Arts, Heritage and the Gaeltacht, including a programme of trailway development in National Parks and Nature Reserves, in partnership with key stakeholders.</p> <p style="text-align: right;">(DAHG, NPWS, National Trails Office, Fáilte Ireland)</p>
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363	<p>Support a range of projects through the Heritage Management Grant Scheme 2014 that apply good heritage practice to the management of places, collections or objects (including buildings).</p> <p style="text-align: right;">(Heritage Council)</p>
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Encourage job creation in the Gaeltacht and in Irish language-centred initiatives.

364	<p>Create 520 new jobs and retain 7,000 existing jobs in the Gaeltacht through Údarás na Gaeltachta support in post-research/pre-commercialisation units in the Life Sciences, Food and Business Support Services and Creative Enterprises sectors and ongoing support for community development initiatives.</p> <p style="text-align: right;">(Údarás na Gaeltachta)</p>
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365	<p>Support the development of www.duchas.ie, a project to digitise the National Folklore Collection of Ireland. The initial phase of the project will advance the digitisation of a significant part of the Schools' Collection in time for the centenary of the 1916 Rising.</p> <p style="text-align: right;">(DAHG, UCD & DCU)</p>
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366	<p>Support a range of Irish language arts, publishing, creative writing, training and other schemes, as well as festivals and drama companies.</p> <p style="text-align: right;">(Foras na Gaeilge)</p>
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9.7 Aviation Services

The Department of Transport, Tourism and Sport policies aim to promote the expansion of Ireland's international aviation market, to maximise Ireland's connectivity with the rest of the world and to retain a strong Ireland-based aviation industry. To this end, a national civil aviation policy statement for Ireland will be published in 2014. This policy statement will cover a range of issues including the future of the State and regional airports, regulation of the sector, access to the market for air services, aircraft leasing and aviation finance.

The Government has approved new structural arrangements to support traffic growth at Shannon and the expansion of aviation service provision in and around the airport. A new State-owned commercial entity, Shannon Group plc., will be established on a statutory basis, incorporating the now independent Shannon Airport Authority (SAA) and the restructured Shannon Development.

It is a priority in 2014 to formally establish the new company, appoint its board, transfer ownership of SAA and Shannon Development to it and carry out all other legal and administrative procedures to ensure that the new company structure is 'bedded-down' as soon as possible.

Since the Government approved the new structural arrangements in November 2012, passenger traffic at Shannon airport has been stabilized. The consistent annual decline in passenger numbers over the previous five years (Shannon lost over 60 per cent of its passengers between 2007 and 2012) has been halted with the outturn for 2013 of 1.4 million passengers matching (and indeed marginally exceeding) 2012's outturn of 1.39 million. This is a major achievement for the airport in its first year of independence from the DAA. Shannon Development has also undergone significant restructuring throughout 2013 with its enterprise and tourism support functions, including associated staff, having been transferred to the IDA Ireland, Enterprise Ireland and Fáilte Ireland. The SAA has also been developing its plans to expand the range and scope of aviation-related services on the Shannon campus.

Options for delivering further hangarage are being evaluated and a master-planning exercise has been conducted by SAA covering both airport lands and the Shannon Development land bank.

2014 Priorities

The specific actions that the Government will take in relation to the aviation sector in the Action Plan for Jobs 2014 are to:

- Publish new Aviation Policy Statement;
- Expand and develop an aviation services centre in Shannon; and
- Launch a Competitive Start Fund targeted at the Aviation and Engineering Sectors.

2014 Actions

Aviation Services

367	Publish a new Aviation Policy Statement.
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(DTAS)

368	Facilitate the expansion and development of an aviation services centre at Shannon. (DTTAS, DJEI)
369	Launch a Competitive Start Fund targeted at the Aviation and Engineering Sectors. (EI)

Case Study: New Air Transport Routes

One of the main objectives of national aviation policy is to facilitate maximum connectivity at competitive prices for those travelling into and out of the country. In particular that policy focuses on encouraging airlines to provide direct connections to strategic locations not already served from Ireland. The necessary legislative framework, through air transport agreements, is in place to facilitate airlines wishing to develop links to most of these locations. The €0 rating for the airline Travel Tax announced in Budget 2014 will be introduced from April 2014. This is designed to generate additional air capacity to Ireland and has already reaped dividends in the shape of numerous new route announcements by airlines.

Some of the important developments taking place in 2014:

- Aer Lingus are to commence direct services from Dublin to San Francisco in April 2014 (five flights a week) and from Dublin to Toronto in March 2014 (daily flights in summer 2014 and three flights per week for the winter season).
- From January 2014 the frequency of Aer Lingus flights to New York and Boston from Shannon is set to double and year round coverage to US from Shannon will be resumed.
- Twenty new Ryanair routes out of Dublin, Shannon, and Knock, and increased capacity on a number of existing routes.
- Three new Aer Lingus Regional routes and increased capacity on existing routes out of Dublin, Cork and Shannon
- Air Canada Rouge will operate the Dublin and Toronto route on a year-round basis from May 2014.
- WestJet are commencing a new service from Dublin to Newfoundland for summer 2014.
- Emirates to double capacity on its service from Dubai to Dublin from September 2014.

Developments that already took place in 2013:

- American Airlines, United and US Airways added new services during summer 2013 and Aer Lingus has also increased capacity from the US.
- US Airways extended its summer services from Charlotte to Dublin and from Philadelphia to Shannon by one month until October 2013.
- Etihad increased its capacity by 35 per cent on its service from Abu Dhabi to Dublin by deploying a Boeing 777-300ER on the route since July 2013.

9.8 International Financial Services

The International Financial Services Sector plays an important role in the Irish economy with more than 250 global financial institutions established here. These companies employ approximately 35,000 people in Ireland. These companies represent a broad range of activities in the sector including Funds, Asset Management, Banking, Insurance, Aircraft Leasing, Payments, Securitisation, Corporate Treasury and Pensions.

Almost 7,600 gross new jobs in IFS have been created by IDA-sponsored companies since the commencement of the Strategy for the International Financial Services Industry in Ireland 2011-2016. Throughout 2014 efforts will continue to attain the Strategy's target of 10,000 net new jobs by 2016. This will involve IDA Ireland and Enterprise Ireland working closely with existing clients to further develop their operations through incremental investment, revenue and employment growth, while simultaneously examining opportunities to establish new sub-sectors or undertake new activities. Supporting financial company start-ups is also an important priority. As part of Enterprise Ireland's work to develop and implement a strategy for accelerators (see Action 11), a number of key sectors will be considered including the Financial Services sector.

A key element of the Government's Strategy for economic recovery is to consult with industry experts and other stakeholders with regard to innovative ideas and creative solutions which might contribute to job creation and economic growth. A forum for this is the Clearing House Group (CHG). In 2014 the Departments of the Taoiseach, Finance and Jobs, Enterprise and Innovation will work with the development agencies and key representatives of the private sector to deliver five strategic priorities for 2014. The priorities in this Action Plan reflect developments and opportunities in the international financial services sector, with a particular emphasis on the industry's role in the jobs and growth agenda.

The Department of Finance, in fulfilling its objective to continue the development of Ireland as a centre for International Financial Services will also continue to support policies and legislation which ensure effective regulatory supervision of the financial sector whilst supporting economic growth and job creation.

2014 Actions

370	<p>Examine Ireland's current approach to the branding, marketing and communications of its International Financial Services proposition, make proposals for change as appropriate and develop a suitable implementation strategy.</p> <p style="text-align: right;">(IDA, CHG, D/Finance, EI)</p>
371	<p>Assess opportunities for Ireland as an international hub for global insurance operations, including those opportunities arising from the Solvency II Directive.</p> <p style="text-align: right;">(D/ Finance, CHG)</p>
372	<p>Assess Technology and Innovation opportunities in the sector including skills availability and educational requirements.</p> <p style="text-align: right;">(CHG, D/Finance, DJEI, IDA, EI)</p>
373	<p>Assess the opportunities for Ireland as a global hub for Compliance and Risk Management.</p> <p style="text-align: right;">(CHG, D/Finance, EI, IDA)</p>

374	Undertake a benchmarking exercise on the legislative and regulatory environment in Ireland. (D/Finance & Public Sector CHG Members)
375	Connect international financial services companies with the expanding network of industry relevant technology and research centres e.g. Governance, Risk and Compliance (GRC), INSIGHT and CeADAR in data & analytics, IC4 in cloud computing and FMC2 in financial mathematics. (IDA)
376	Refine and execute a promotion and marketing plan for Ireland’s international financial services offering in emerging markets. (IDA)
377	Introduce Irish Collective Asset-management Vehicle (iCAV) legislation. (D/Finance)
378	Investigate ways to further develop the Real Estate Investment Trust (REIT) model as appropriate. (D/Finance, Revenue)

9.9 eHealth

It is widely accepted that the successful execution of an eHealth strategy has the potential to transform healthcare delivery systems into safer, higher quality, more efficient, easier to access systems that pay for themselves over time. The overall wellbeing of the population is enhanced through the adoption of information-based systems supporting patient empowerment and a shift in focus to prevention and wellness. Investment in eHealth also brings significant potential for economic development including job creation, entrepreneurial start-ups and further direct foreign investment. Innovative and collaborative Ecosystems have been proven to be a significant enabler and Ireland can play a lead role internationally in this regard.

The eHealth Strategy identifies a set of objectives to be achieved and proposes a roadmap for their implementation within an outcomes-based delivery model. It outlines a proposed governance and delivery structure and defines a specific set of actions that address areas such as funding, resources, stakeholder engagement among others, and also looks at an initial set of priority eHealth projects.

A key initiative linked to, and facilitating the implementation of, the Government's eHealth Strategy is the introduction of a unique identifier system for the health system. As well as being a fundamental requirement for deploying eHealth solutions, this is an essential infrastructural initiative which will facilitate many significant improvements to the health system in areas such as patient safety and improved data access and quality leading to improved overall systems efficiency. The legislation to provide a legal framework for the introduction of an individual identifier for use in the health system will be advanced in 2014 and preparations will be made for the roll-out of the infrastructure and systems associated with a health identifier.

Aside from the benefits to population wellbeing and improvements to healthcare system delivery, there are significant potential economic benefits associated with investment in eHealth infrastructure. The creation of new 'eHealth markets' gives rise to entrepreneurship and start-up opportunities and much of this will be readily exportable. Ireland is in an ideal position to capitalise on these emerging markets due to its already-strong base within the key pillar industries of Medical Devices, ICT, Pharma/Bio and Financial Services.

An economic impact analysis for Ireland estimates that a properly executed eHealth strategy, leading to the development of commercial and export-oriented opportunities, can add between 2 and 2.9 per cent to National GDP and contribute a significant number of highly skilled jobs to the economy. Overall, the development of eHealth can be seen as an *infrastructural investment* in Ireland's future, not only for the transformation of the Irish health delivery sector, but also for the economy as a whole.

As well as establishing the structures and governance for implementation of the eHealth Strategy, planning will commence in 2014 on a number of priority projects to give effect to the strategy. The key priority projects for 2014 will be to commence work on the national patient identifier infrastructure, including the passage of the Health Identifiers Bill 2013, and on ePrescribing and Telehealth. At a later stage, other candidate projects include online referrals and scheduling, development of patient summary records, and online access to health information.

2014 Actions

Delivering healthcare and job creation through investment in eHealth initiatives

379	Establish eHealth Ireland and appoint a Chief Information Officer (CIO) for the Irish healthcare system to drive implementation of eHealth Strategy. (D/Health)
380	Advance legislation to provide a legal framework for the introduction of an individual identifier for use in the health system. (D/Health)
381	Publish plan with timelines for delivery of priority projects in the context of the overall ehealth strategy including roll-out of the national patient identifier infrastructure. (HSE - eHealth Ireland)

9.10 Smart Ageing

In 2010, there were over 525 million people over the age of 65 across the world. As a proportion of population, over 65s are growing faster than any other group and are expected to double in numbers by 2040 to 1.3bn from 7 per cent to 40 per cent of the population; and those over 80 will treble. In four years, for the first time in human history, the number of people over 65 will outnumber children under 5. Governments, corporations, health services, transport providers and others have responded, but when the population structure is literally turned on its head, incremental, single-dimensional solutions are inadequate.

Unless there are rapid changes in policies and the introduction of demographically driven budgets, the median net general government debt in advanced economies will rise to almost 220 per cent of GDP by 2050 and many States will have credit ratings currently associated with speculative-grade, (Standard & Poors, 2013). Just as the challenges of climate change are resulting in major new markets and technologies, so global ageing needs to result in convergent innovations that are radically different to current practice and accepted wisdom. However, the window of opportunity to plan and prepare is quickly closing. Ireland is uniquely positioned to deliver the sort of disruptive social and commercial solutions that are necessary. Ireland has many of the essential building blocks for the development of a smart ageing sector in Ireland. Ireland has a National Positive Ageing Strategy as the blueprint for age related policy and service delivery, significant research and active NGO networks. In addition to our favourable tax environment, skilled workforce, position as a gateway to Europe which has served Ireland well in terms of attracting FDI, Ireland has many distinct advantages that are particularly relevant to the growth of smart ageing technologies and services. Smart Ageing presents both an opportunity for the creation of new businesses that will deliver increased value, grow exports and create further employment, but that will also have a positive impact on the health-related expenditure of the public finances as well as improve the quality of life.

2014 Priorities

Smart Ageing was identified as a key priority in the Global Irish Economic Forum 2013. In light of this we will clearly define the opportunities for Ireland in the Smart Ageing area in 2014. One of the first key steps is to map the strengths and activities in Ireland within a broad scope of application.

2014 Actions

Smart Ageing

382	Establish an inter-departmental Steering Group to agree the approach to be taken in relation to Smart Ageing in Ireland. (D/Taoiseach, relevant Government Departments and agencies)
383	Carry out a mapping exercise of the activity in Ireland, both in the economic and social spheres, to provide a baseline of the activity and to identify Ireland's strengths in Smart Ageing. (D/Taoiseach, DJEI/Forfás, relevant Government Departments and agencies)

384 Assess the opportunities that may arise from this mapping exercise and agree next steps as appropriate.

(D/Taoiseach, relevant Government Departments and agencies)

9.11 Social Enterprise

Social enterprise is a growing enterprise sector that can bring further job gains and deliver economic potential as part of Ireland's economic recovery and growth for the future. The social enterprise sector employs between 25,000 and 33,000 people in over 1,400 social enterprises in Ireland, with a total income of around €1.4 billion. Social enterprises, like other SMEs, have the benefit of being geographically spread throughout Ireland; they are set in the heart of our rural and urban communities. Very often they employ those that are most marginalised, and who find it most difficult to get jobs.

They tend to provide local services, and so jobs are created in local communities. As well as multiplier effects from the direct jobs in the sector, further indirect jobs are created either by enabling the development of other enterprises, for example by social enterprises that assist economic and community development, or by providing services that bring people to a community such as local festivals or community-run hostels.

2014 Priorities

An Inter Departmental Group has been established to examine the recommendations of the Forfás Report on Social Enterprise in Ireland which was published in 2013. In 2014, the Inter Departmental Group will develop a set of short, medium and long term goals, using the Forfás report as a template.

2014 Actions

Social Enterprise

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| 385 | Develop the Social Enterprise sector by undertaking a programme of actions on foot of the Forfás Report on Social Enterprise in Ireland.

(DECLG, DSP, DAFM, D/Health, DAHG, DJEI, other relevant Departments and Agencies) |
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Glossary of Terms

BIM	Bord Iascaigh Mhara
BITCI	Business in the Community Ireland
CBOs	Community Based Organisations
CCMA	County and City Managers Association
CEBs	County Enterprise Boards
CER	Commission for Energy Regulation
CHG IFSC	Clearing House Group
cTTO	Central Technology Transfer Office
CRFs	Clinical Research Facilities
DAFM	Department of Agriculture, Food and the Marine
DAHG	Department of Arts, Heritage and the Gaeltacht
DCCoI	Design and Craft Council of Ireland
DCEB	Dublin City Enterprise Board
DCENR	Department of Communications, Energy and Natural Resources
DCYA	Department of Children and Youth Affairs
D/Defence	Department of Defence
DECLG	Department of Environment, Community and Local Government
DES	Department of Education and Skills
DFAT	Department of Foreign Affairs and Trade
D/Finance	Department of Finance
D/Health	Department of Health
DJEI	Department of Jobs, Enterprise and Innovation
D/Justice and Equality	Department of Justice and Equality
DPER	Department of Public Expenditure and Reform
DSP	Department of Social Protection
D/Taoiseach	Department of Taoiseach
DTTAS	Department of Transport, Tourism and Sport
EGFSN	Expert Group on Future Skills Needs
EI	Enterprise Ireland
EIB	European Investment Bank
EIF	European Investment Fund
EIIS	Employment and Investment Incentive Scheme

EPA	Environmental Protection Agency
ERC	European Research Council
ETB	Education and Training Board
FDI	Foreign Direct Investment
FET	Further Education and Training
FH2020	Food Harvest 2020
FP7	7th Framework Programme for EU Research
GDP	Gross Domestic Product
GVA	Gross Value Added
HAP	Housing Assistance Payment
HEA	Higher Education Authority
HEI	Higher Education Institutions
HIQA	Health Information and Quality Authority
HRB	Health Research Board
HPSU	High Potential Start-ups
IBF	Irish Banking Federation
IBEC	Irish Business and Employers' Confederation
IDA Ireland	Industrial Development Agency
IDB	Irish Dairy Board
IFS	International Financial Services
IMDA	Irish Medical Devices Association
IMERC	Irish Maritime and Energy Research Cluster
INIS	Irish Naturalisation and Immigration Service
IP	Intellectual Property
IPSO	Irish Payment Services Organisation
IRC	Irish Research Council
ISIF	Irish Strategic Investment Fund
ISME	Irish Small and Medium Enterprises Association
ITI	InterTradeIreland
LA	Local Authorities
LCDC	Local Community Development Committee
LCDP	Local Community Development Programme
LEOs	Local Enterprise Offices
LGMA	Local Government Management Agency

MAREI	Marine Renewable Energy Ireland
MDF	Manufacturing Development Forum
MNCs	Multinational Corporations
MTES	Medium Term Economic Strategy
NALA	National Adult Literacy Agency
NCC	National Competitiveness Council
NCCA	National Council for Curriculum Assessment
NDFA	National Development Finance Agency
NGO	Non-Governmental Organisation
NIBRT	National Institute for Bioprocessing Research and Training
NPRF	National Pensions Reserve Fund
NPT	National Project Team
NPS	National Procurement Service
NSAI	National Standards Authority of Ireland
PAG	Prioritisation Action Group
PIYRA	President of Ireland Young Researcher Award
ODCE	Office of the Director of Corporate Enforcement
ODPC	Office of the Data Protection Commissioner
OGP	Office of Government Procurement
QNHS	Quarter National Household Survey
QQI	Quality and Qualifications Ireland
RDP	Rural Development Programme
RSC	Railway Safety Commission
RDI	Research, development and innovation
SAA	Shannon Airport Authority
SBG	State Bodies Group
SCS	Seed Capital Scheme
SEAI	Sustainable Energy Authority of Ireland
SFA	Small Firms Association
SFI	Science Foundation Ireland
SME	Small and Medium Enterprise
STEM	Science, Technology, Engineering, Mathematics
SYOB	Start Your Own Business
TI	Technology Ireland

VEC Vocational Education Committees
WEEE Waste Electrical and Electronic Equipment

