



National Delegation of Ireland

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Economic Policy
Department of the Taoiseach
Government Buildings
Upper Merrion Street
Dublin 2

Cllr. Michael Murphy
Leader of National Delegation
to the Committee of the Regions



14th March 2019

Re: European Semester 2019 / National Reform Programme

Dear Mr. Wiggins,

The Irish Delegation to the EU Committee of the Regions (CoR) is pleased to avail of the opportunity to contribute to the preparation of the National Reform Programme (NRP) to translate the overall objectives of the Europe 2020 Strategy into a series of national delivery measures.

The Country Report issued on February 27th gives a picture of Ireland as a whole, focusing on the national level. As local councillors and members of the CoR and Regional Assemblies, we would like to stress the need to consider the regional and local levels, as these levels are facing different challenges and performances vary greatly between regions. It is necessary to adopt a more localised/regionalised perspective in the analysis of progress, and we would hope to see this reflected in the National Reform Programme.

This is particularly relevant during this round of the European Semester process, as the Commission is more clearly linking the European Semester and Cohesion policy for 2021-2027. As EU Structural Funds, most notable the European Regional Development Fund (ERDF) are regularly implemented by Local and Regional Authorities, it would make sense to adopt such an approach. Indeed, as part of its Investment Guidance on Cohesion Policy (p. 74), the Country Report itself suggests that ensuring "*that Managing Authorities [i.e. the Regional Assemblies] have sufficient resources to manage the Operational Programme(s)*" is a key factor for the effective delivery of Cohesion policy.

In this respect, the Irish delegation would also like to highlight the fact that many areas covered by the Country Report are within the remit of local level plans such as Local Area Plans (LAPs) and Local Economic and Community Plan (LECP). Irish local authorities are tasked with the oversight of LECPs through the Local Community Development Committees (LCDC) but for many areas of the LECP, local

authorities are not competent such as, *inter alia*, job creation, childcare provision and broadband rollout. They therefore have no power over the implementation of some parts of the policies. To properly discharge their obligations, and ensure that LECP objectives are achieved, local authorities would need to be empowered to compel the agencies over which they have oversight.

The 2019 Country Report was published as the Regional Assemblies are finalising their Regional Spatial and Economic Strategies¹ (RSEs). The RSEs provide a critical link between the national ambitions of Project Ireland 2040 and on-the-ground implementation through the LECPs. The extensive data creation and collation by the Regional Assemblies enables us to give a local and regional perspective on some of the issues raised in the Country Report.

The Country Report notes that Ireland should be “*Prioritising both public and private investment in infrastructure, decarbonisation, housing, innovation, skills and social inclusion*” but while policies have been set out to address these investment challenges, “*implementing them depends on several factors...such as administrative capacity and coordination...*”. Here, the Country Report has not recognised that the Regional Assemblies provide for additional administrative capacity and the RSEs provide much of the coordination required for coherent activity in these multiple sectors.

Regarding housing, the RSEs are the mechanisms by which the Project 2040 targets will be achieved at regional level and set the context for local level plans. Additionally, the Regional Assemblies will support housing delivery through, among other initiatives, the provision of a Housing Need Demand Assessment that will inform housing policy.

The Country Report notes with disappointment the continuing failure to decouple economic growth with greenhouse gas emissions, and suggests that “*this raises health, climate and environmental concerns and means that Ireland may miss opportunities linked to the EU’s ambitious decarbonisation objectives*”. Again, the RSEs provide a robust framework to coordinate local level actions and the Regional Assemblies will provide additional capacity and data to direct policy; for example, Eastern & Midland Regional Assembly will carry out an assessment of transport emissions in the Region to identify GHG forecasting and to analyse the regional emissions impacts of development. Additionally, the Report does not mention the increased analytical capacity of the four Climate Action Regional Offices and the forthcoming Local Authority Adaptation Strategies which will set out how decarbonisation will be implemented on the ground.

Another area of concern for the Country Report is Ireland’s action on Country Recommendation 3: “*Foster the productivity growth of Irish firms, and of small and medium enterprises in particular...*”. Once again, the RSEs provide policy frameworks to translate national ambition, in this case *Enterprise 2025 Renewed*, by setting out regional policy objectives and guiding relevant actors to support the development of the Region. The RSEs support the national economic agencies, Local Enterprises

¹ EMRA RSEs: <https://emra.ie/dubh/wp-content/uploads/2018/11/EMRA-DRAFT-RSES.pdf>

SRA RSEs: https://www.southernassembly.ie/uploads/general-files/Final_Draft_RSES_SEA_13-12-18_with_Cover_Page.pdf

NWRA RSEs: https://www.nwra.ie/wp-content/uploads/2018/11/Final_NWRA_RSES_18.11.19-2.pdf



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Offices, Regional Action Plan for Jobs implementation committees and Local Authorities with their plans for job creation, with particular focus on an enterprise base with increased productivity and more diversification (including market diversification) with high levels of innovation, skills adaptability, and relatively low costs of doing businesses.

As with the previous two Reports, the 2019 Country Report makes reference to Brexit. While noting that Brexit can only have a negative effect on Ireland, the Report prefers to simply acknowledge the continuing uncertainty as a challenge rather than estimate the impact. Brexit will have uneven impacts at regional and county level, with the Northern and Western Region being most affected. All Regional Assemblies are taking action to mitigate Brexit impacts through their RSEs including, *inter alia*; supporting improvement and protection of the TEN-T network to strengthen access routes to Ireland's ports; supporting national economic agencies, Local Enterprises Offices (LEOs), Regional Action Plan for Jobs implementation committees and Local Authorities with their job creation plans; support enterprise development agencies and LEOs in their efforts to increase business innovation capacity, and; support enterprise development agencies to map, monitor and evaluate the Region's enterprise and innovation ecosystem.

I trust that these points will be useful to you and can be taken into account in the NRP. On behalf of the Irish delegation to the CoR, I would like to thank you once again for your invitation to contribute. I look forward to ongoing consultation and collaboration in the future.

Yours sincerely,

Cllr. Michael Murphy

Chair, Irish Delegation to the EU Committee of the Regions