

International Centre for Local and  
Regional Development  
(in co-operation with InterTrade Ireland)

Third Annual Conference

Fostering co-operation for local and regional development  
through cross-border spatial planning

Financing cross-border co-operation

Thursday, January 17<sup>th</sup> 2008



National Development Plan (2007-2013)  
Transforming Ireland  
A Better Quality of Life for All

Dermot Nolan,  
Department of Finance



# Investment and Resources

- €184bn
- Capital (€100bn)
- Current (€84bn)
- Exchequer (€156.5bn)  
(of which PPPs €13.4bn)
- Commercial Semi-State Bodies (€16bn)
- Local Authorities etc (€4.2bn)
- Other – Local Government Fund, National Training Fund,  
Environment Fund (€7bn)



## Budget 2008: Statement of the Tánaiste and Minister for Finance, Mr. Brian Cowen, T.D.

- “The National Development Plan is my top priority. Postponing or delaying it would be a major policy error. It would damage activity next year and impair our quality of life in future”
- “The new Multi-Annual Capital Envelope for each Vote group provides for total capital expenditure to be maintained at an average of 6 per cent of GNP during the next five years”
- “All Departments have had their capital allocations increased from the Pre-Budget Estimates levels by over one billion euro in total”
- “The main elements of our capital investment programme for 2008 will concentrate on transport, education, housing, and environmental services with significant spending in other areas such as health, agriculture and enterprise also”



# Investment Priorities

- Economic Infrastructure (€54.7bn)
- Enterprise, Science and Innovation (€20bn)
- Human Resources (€25.8bn)
- Social Infrastructure (€33.6bn)
- Social Inclusion (€49.6bn)



# Horizontal Themes and Objectives

- Economic and Budgetary Sustainability
- Value for Money
- All-Island Co-Operation
- Regional Development
- Development and Diversification of Rural Economy
- Environmental Sustainability



All-Island Co-Operation: Speech by An Tánaiste,  
Brian Cowen T.D.,  
to NDP Central Monitoring Committee, 21<sup>st</sup> November 2007

- “Promoting all-island co-operation is a very important dimension of the NDP. The Government attaches great political importance to this horizontal objective”
- “Every Government Department must work towards the ambitious template for North-South co-operation set out in the Plan. The Government will be looking to Government Departments to be proactive and imaginative in working towards all-island solutions to common all-island challenges and to pool our strengths accordingly”
- “Working together, north and south, we will not only address the challenges that the whole island faces in a globalising world but will also help to consolidate the enormous political progress of recent years”



# Key Areas for All-Island Co-operation

- Infrastructure Provision
- Spatial Planning
- Trade, Tourism and Investment
- Human Capital
- Enterprise Promotion
- Provision of Public Services (Health and Education)
- Environment
- Agriculture and Fisheries
- Sport, Culture and Heritage
- Social Inclusion



# All-Island Co-operation: New Strategic Projects

- Completion of High Quality Road Network linking Dublin, Belfast and Northwest (especially Letterkenny-Derry Gateway)
- Development of Dublin-Belfast Railline
- Improved access for Tourism and other opportunities along Eastern Corridor
- Significant upgrading of Higher Education Capacity in Northwest
- Study on Education Co-operation
- Promotion of Graduate Mobility, Graduate Retention and Greater Access
- Study on Health Co-operation
- Co-operation on Cancer Services
- Ulster Canal



# Development Funding

- Education, Skills, Science and Innovation
- Energy Research including Renewable and Sustainable Development
- Regional Development
- Tourism Development
- Poverty, Social Inclusion and Community Infrastructure



# Comprehensive Study of the All-Island Economy

- Vision: An island characterised by a strongly competitive and socially inclusive economy not impaired by border
- Objective: World class island economy with comparable levels of dynamism on both parts of island
- Co-operation on infrastructure will bring
  - more efficient planning
  - more efficient joined up delivery
  - better value for money
  - more balanced regional development
  - economies of scale
  - better deals from financial markets



# Progress: Key Highlights

- Road to Northwest
- Derry Airport
- Innovation
- All-Island Energy Co-operation
- Ulster Canal
- Tourism



# Road Links to Northwest

- €580m committed by Irish Government
- Cross Border Steering Group (Department of Transport and the Marine and the Department of Regional Development)
- Technical Group (DRD/Roads Service and NRA)
- Project Team Roads Service
- Consultants appointed to carry out a route corridor study
- Preparatory work under way



# City of Derry Airport

- March 2005: Irish Government agreed in principle to help co-fund City of Derry Airport together with British Government
- Irish Government Contribution: €10.87m
- Very important to development of entire Northwest of island
- Await proposals of Derry City Council



# Innovation Fund

- March 2007: Confirmation of an Innovation Fund by then Chancellor Gordon Brown M.P.:
  - £500m over four years (including £119m extra)
  - £36m from Irish Government: Collaborative Research and Development
- Irish Government willing to make contribution over period 2008-2011
- Promote Cross-Border Approaches
  - To innovation
  - To strengthening All-Island research-base
  - To supporting R&D Partnership
- Detailed operational framework being worked out
- We look forward to first tranche of innovation proposals later this year



# All-Island Energy Co-operation

- All-island commitment to development of competition in energy sectors – lead to improved services, increased choice and will support economic growth North and South
- Single Electricity Market (S.E.M.) commenced on 1<sup>st</sup> November 2007. Single wholesale market for electricity on the island of Ireland
- S.E.M. has the potential to create £103m in savings over 10 years
- Development of East-West Interconnector with Wales by 2012 is an important next step for the S.E.M.



# All-Island Energy Co-operation

- 10<sup>th</sup> January 2008 – Publication of All-Island Grid Study jointly commissioned by the Department of Communications, Energy and Natural Resources and the Department of Enterprise, Trade and Investment
- Study states that it is feasible that 42% of our electricity could come from renewable sources by 2020
- Second North-South Interconnector



# Ulster Canal

- Decision to restore Clones-Upper Lough Erne Section of Ulster Canal
- Irish Exchequer Contribution of €35m to capital cost
- Annual maintenance costs to be shared
- Project Team established
- Monitoring Committee (chaired jointly by the Department of Community, Rural and Gaeltacht Affairs and the Department of Culture, Arts and Leisure)
- Opening of the waterway scheduled for 2013



# Tourism

- Tourism Ireland: Responsibility for all-Ireland destination marketing
- Funding for TIL is primarily provided on cross-border basis
- Corporate Plan 2008-2010
  - Ireland's largest markets in the period 2008-2010 will continue to be Great Britain, Mainland Europe & North America (in that order)
  - Consumer Focus: Focus on Sightseers and Culture Seekers
  - Brand Review
  - E Marketing
  - Regional Strategy: Tourism Ireland will work to maximise the regional spend of overseas tourists
  - Access Strategy: Tourism Ireland will identify air and sea access gaps and work with carriers to fill them

